

Addendum:

July 23, 2020

Update to Optimum March 24, 2020 COVID-19 guidelines to reflect risk of long-term complications.



Throughout the COVID-19 pandemic, Optimum Life Reinsurance has maintained core central tenants amidst the rapid and dynamic changes in COVID-19 prevalence and virulence:

- No change in existing Underwriting Requirements unless there is evidence-based data supporting the modification with reinsurance approval
- Exploration of Technology and Alternative Data Sets to reduce requirements, save time, while maintaining mortality expectations
- Support of Tele-underwriting and other non-traditional methods to bolster underwriting and marketing endeavors

Our philosophy early on focused on travel, exposure and infection and subsequently evolved to evaluate clients for risk factors for COVID-19 infection and morbidity and mortality. As more data has become available and as more client applications with prior documented COVID-19 infection have been received, we have evaluated short-term and long-term complications of COVID-19 and have produced this document.

Initial guidance remains a central tenant to mortality assessment:

1. **Age \geq 65 with or without comorbid status** - Because those over age 65 have a greater risk of morbidity and mortality from COVID19, Optimum suggests:
 - a. All clients over age 65 years provide a statement of good health upon delivery
 - b. Ceding company Medical Directors review and sign off on these cases; our Medical Director is available for consult as necessary
 - c. Any client with any cardiovascular disease, any lung disease including COPD and asthma, immunosuppression (congenital, acquired, due to medications) or diabetes, should be postponed a minimum of 6 months.



- d. Any client with illnesses not represented in the above grouping whose sum of debits is greater than +100, without the application of any credits, should be postponed a minimum of 6 months.
- 2. Age < 65 with comorbid status**
- a. Any client with cardiovascular disease, lung disease including COPD and asthma, immunosuppression (congenital, acquired, due to medications) or diabetes with rating for any one of these diseases greater than +75, should be postponed a minimum of 6 months
- b. Any client with illnesses not represented in the above grouping whose sum of debits is greater than or equal to +150 should be postponed a minimum of 6 months.

We have learned through medical literature review, claims analysis and applications that **assessing complications is critical** in those that have been documented COVID-19 positive. We know that as high as 1/6th of all people infected can have long-term pulmonary, cardiac, neurologic and psychologic complications with impact on morbidity and mortality. We recommend the following:

- **Mild outpatient disease without pre-existing risk factors** – require a statement of complete recovery from a physician
- **Mild outpatient disease with pre-existing risk factors (i.e. Cardiovascular disease or pulmonary disease)** –require a statement of complete recovery from a physician and consideration of testing that shows return to preCOVID-19 function
- **Moderate to severe disease without pre-existing factors** – require obtaining hospitalization records as well as evidence of follow up of any organ system involved (i.e. repeat echo in those with myocarditis); and a physician’s statement of complete recovery from COVID-19 and its complications.
- **Moderate to severe disease with pre-existing factors** - require 1) hospitalization records; 2) evidence of follow up of any organ system involved; 3) proof that preCOVID-19 conditions have not worsened; 4) physician’s statement of complete recovery from COVID-19 and its complications.

Other considerations:

1. **Travel:** ensure that client travel plans are prudent and are considered in all underwriting decisions; Optimum’s underwriting department continues to be a resource when there is doubt.
 - We recommend not considering applications involving ANY foreign travel to CDC Level-3 countries (countries with widespread transmission) until further notice.
 - If an offer involving travel is being considered, we suggest adhering to Optimum’s March 24, 2020 guidelines regarding a 30-day postponement upon return to the United States from an endemic area.
 - For those clients with planned future travel, we would consider applications with an amendment affirming travel plans will be canceled if a Level 3 Travel Health Notice (according to the Centers for Disease Control and Prevention) remains in effect for the stated country and dates disclosed on the application at time of planned travel.



2. **Agility:** Consideration to pivot backwards along the above workflow in the event of a second wave or a rise in case volume or deaths
3. **Foresight:** eventual loosening of guidelines should be done in an incremental fashion with lower risks returning to traditional guidelines first
4. **Evidence-based:** solely requiring negative tests, or proof of antibodies does not provide mortality insight or protection

We suggest continued adherence to our temporary COVID-19 guidance as outlined in the March 24, 2020 and in this addendum for at least the next 3 months. We will continue to evaluate as the landscape changes over the next quarter and provide additional guidance in September, 2020, or sooner if progress of disease dictates.

As a valued partner, it is recommended that any questions with the application of these guidelines be discussed with the underwriting and medical teams at Optimum Re. Please do not hesitate to reach out as we are happy to provide individualized guidance.

