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Special (EX) Committee on Race and Insurance  
Life Workstream  
Sent via email: [jcook@naic.org](mailto:jcook@naic.org)

**RE: Draft Survey of Life Insurer Underwriting Guidelines as Applied to Justice Impacted Individuals**

Dear Commissioners Fowler & Humphreys,

Thank you for the opportunity to provide feedback on the draft Survey of Life Insurer Underwriting Guidelines as Applied to Justice Impacted Individuals. The feedback and suggestions below are included so that the survey will elicit more consistent, meaningful data. ACLI member companies are hopeful that this voluntary survey will shed additional light on the life insurance underwriting process as it pertains to justice impacted individuals.

Generally, we suggest the following amendment for clarity: We are interested in information about products currently being sold in ~~your~~ the state(s) issuing the survey.

**Question #1**

This question includes the term "life insurance criminal history," which is not a defined term and is likely to be confusing. For clarification purposes we suggest: Please provide questions from your company's life insurance application that ask about ~~life insurance~~ criminal history.

**Questions #2 & #3**

We recommend requesting a summary of the underwriting guidelines, mortality/morbidity data/studies, and methodologies used. As indicated by ACLI previously, many life insurers (especially those smaller in size) rely on underwriting manuals published by third parties. These third parties tend to perform background research for creating and updating these manuals and have a schedule for updating the evaluation of a particular risk, and the most prevalent risks are the ones most often updated.

Additionally, life insurers base their underwriting criteria on many factors and there is not typically a specific study or data set for each underwriting criterion. Life insurers, whether relying on third-

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The American Council of Life Insurers (ACLI) is the leading trade association driving public policy and advocacy on behalf of the life insurance industry. 90 million American families rely on the life insurance industry for financial protection and retirement security. ACLI's member companies are dedicated to protecting consumers' financial wellbeing through life insurance, annuities, retirement plans, long-term care insurance, disability income insurance, reinsurance, and dental, vision and other supplemental benefits. ACLI's 280 member companies represent 94 percent of industry assets in the United States.



### **Fraud Prevention/Anti-Money Laundering Consideration**

Federal laws and guidelines require insurers to evaluate applicants' criminal history to prevent money laundering and other financial crimes. Therefore, we encourage the Workstream to consider life insurers' obligations and efforts to prevent financial crimes in their analysis of survey responses. It is important to note that mortality and morbidity are not the only risk factors considered when evaluating criminal history in underwriting. These evaluations are critical to the overall underwriting process and the protection of policyholders and are valuable information for the Life Workstream.

Thank you for your time and consideration of our comments. We would be glad to discuss further and look forward to our continuing work with the Life Workstream.

Sincerely,

A solid black rectangular redaction box covering the signature area.