



[TAI FAQ] COVID-19 Claims, Underwriting Changes, Grace Periods

The world has shifted dramatically and continues to evolve in the midst of the pandemic. TAI is striving to meet the demands of the changing insurance environment and support clients as they navigate claims and reporting during this time.

This FAQ covers a few common inquiries that have emerged because of COVID-19 and how your team can effectively address them without requiring system updates.

How can TAI users accurately identify COVID-19 on claims?

With the ongoing, rapid changes caused by the virus, it is critical that policy claims data is reported accurately from ceding companies to reinsurers. Claims reporting in the TAI system includes a data field for the cause of death. Since COVID-19 is a new, prevalent cause of death that isn't a pre-existing option, it has resulted in an incorrectly populated field for many insurance teams. This can quickly lead to larger issues such as miscategorized claims.

The alphanumeric codes for cause of death (often using the ICD codes) are maintained dynamically by each TAI user in one of two ways:

1. **Adjust the Code Tables:** The TAI system has a screen for maintaining various codes used throughout the system, called the "Code Tables" screen. There, the user can select "Causes of Death" from the dropdown and enter a new option for COVID-19. That option would then be available on the claims screen as claims are finalized (partial screen shots below).
2. **Use TAI's Claims Function:** For other clients, the TAI system has been customized to take in a feed from their claims system. In this case, the TAI system relies on that data to provide an accurate cause of death. If a newer code is passed to the system, it will automatically be passed through in the reinsurer communications.



Code Table Maintenance
 Table to Maintain: Causes of Death

Code	Name
A00	Cholera,
A01	Typhoid and paratyphoid fevers,
A02	Other salmonella infections,
A03	Shigellosis,
A04	Other bacterial intestinal infections,
A05	Oth bacterial foodborne intoxications, NEC,
A06	Amebiasis,
A07	Other protozoal intestinal diseases,
A08	Viral and other specified intestinal infections,
A15	Respiratory tuberculosis,
A17	Tuberculosis of nervous system,
A18	Tuberculosis of other organs,
A19	Miliary tuberculosis,
A20	Plague,
A21	Tularemia,
A22	Anthrax,
A23	Brucellosis,
A24	Glanders and melioidosis,
A25	Rat-bite fevers,
A26	Erysipeloid,
Z75	Problems related to medical facilities and other,
Z76	Persons encountering health services in other ci,
Z77	Oth contact w and (suspected) exposures hazardou,
Z78	Other specified health status,
Z79	Long term (current) drug therapy,
Z80	Family history of primary malignant neoplasm,
Z81	Family history of mental and behavioral disorder,
Z82	Fam hx of certain disabil & chr dis (leading to,
Z83	Family history of other specific disorders,
Z84	Family history of other conditions,
Z85	Personal history of malignant neoplasm,
Z86	Personal history of certain other diseases,
Z87	Personal history of other diseases and condition,
Z88	Allergy status to drug/meds/biol subst,
Z89	Acquired absence of limb,
Z90	Acquired absence of organs, not elsewhere classi,
Z91	Personal risk factors, not elsewhere classified,
Z92	Personal history of medical treatment,
Z93	Artificial opening status,
Z94	Transplanted organ and tissue status,
Z95	Presence of cardiac and vascular implants and gr,
Z96	Presence of other functional implants,
Z97	Presence of other devices,
Z98	Other postprocedural states,
Z99	Dependence on enabling machines and devices, NEC,

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How can TAI users track new policies and underwriting methods?

With stay-at-home orders and restrictions in place in many locations, the industry is adapting and finding new ways to provide coverage and support. Underwriting and medical examinations are being carried out in different ways as new policies are being issued.

To track these changes in clients' administrative systems, TAI has a field in place on the policy master called "Underwriting Method," which can support that information. The field is free-form, meaning it does not have a strict pre-defined list of valid values that must be adhered to or populated. Clients can use this field to pass a new value that distinguishes policies issued under new guidelines.

Policy Master (Reinsurance Inforce)
Related Links: [Automatic Reinsurance](#) | [Policy Coverages](#) | [Policy Values](#) | [Retention Inquiry](#) | [Reinsurance](#) | [Snapshot](#)

Co: TAI Pol: TESTCLN001 Cov: 01

Insured: BRUNS, BARBARA J Age: 30 Client ID: T-TESTCLN001-01-01

Policy Master

Base:	500000	Death Benefit:	500000
ADB:	0	Cash Value:	0
Waiver:	0	NAR:	500,000
Plan Code:	AR100	Search Plan:	AR100

Values as of	Apr-2011	Issue Type:	New Business
Base Prem:	2500.00	U/W Method:	Simplified
ADB Prem:	0.00	Prem Waived:	test
Waiver Prem:	0.00	Issue State:	Fully Und
		Res. State:	Guar Issue



<u>Field Name</u>	<u>Field Size</u>	<u>Field Offset</u>	
TAIX-CO	CHAR(5)	1	5
TAIX-POL	CHAR(15)	6	20
TAIX-COV	CHAR(4)	21	24
TAIX-STATUS	CHAR(3)	25	27
TAIX-ISSUE-DATE	NUMERIC(8,0)	28	35
TAIX-PAID-TO-DATE	NUMERIC(8,0)	36	43
TAIX-TERMINATION-DATE	NUMERIC(8,0)	44	51
TAIX-ISSUE-TYPE	CHAR(1)	52	52
TAIX-PLAN	CHAR(15)	53	67
TAIX-PRODUCT-CD	CHAR(1)	68	68
TAIX-PRODUCT-CD-1	CHAR(1)	69	69
TAIX-PRODUCT-CD-2	CHAR(1)	70	70
TAIX-ADMIN-REINS-SW	CHAR(1)	71	71
TAIX-STATE-ISS	CHAR(2)	72	73
TAIX-STATE-RES	CHAR(2)	74	75
TAIX-UW-METHOD	CHAR(1)	76	76
TAIX-PAR	CHAR(1)	77	77
TAIX-DB-OPTION	CHAR(1)	78	78
TAIX-FACE-BASE	NUMERIC(9,0)	79	87
TAIX-BEN-MORT	NUMERIC(4,3)	88	91
TAIX-FACE-ADB	NUMERIC(9,0)	92	100
TAIX-BEN-MORT-ADB	NUMERIC(4,3)	101	104

What if new policies impact reinsurance terms?

If this new underwriting method will ultimately impact the terms of reinsurance, the policy search plans can also be modified to include the new process, resulting in the assignment of distinct treaties. Retention tables in TAI are already distinguished by underwriting method, making it easier to review and track how the business is evolving.

Retention

<< Browse Back Browse Forward >>

Co: Shared Retention: AA01 Eff Dt: 01-Jan-1901 GO Add

Effective Dates: 1-Jan-1901 |

	Max Age	Mort. Rtg. Max	U/W Meth.	Policy Max	Special Amt	Ret. Pct	Ret. Amt	Corp Ret.	Binding Cd	Binding Limit	Flat Max
	55	200		999999999	0	0	50000	50000	Standard	500000	999.99
	65	200		999999999	0	0	25000	25000	Standard	250000	999.99
	99	500		999999999	0	0	0	0	Standard	0	999.99
	55	300		999999999	0	0	25000	25000	Standard	250000	999.99
	65	300		999999999	0	0	10000	10000	Standard	100000	999.99
	65	500		999999999	0	0	5000	5000	Standard	50000	999.99



Grace periods / Delayed lapse

With new state regulations mandating longer grace periods for premium payments, a higher volume of reported reinsurance terminations and reinstatements can be expected. The TAI system already supports the pending lapse concept, keeping reinsurance in force in such state until either the policy reinstates or a specified amount of time has passed. TAI users can increase that specified amount of time without program changes.

The TAIB130 program's parameter in the interface cycle drives how long reinsurance on lapsed policies will remain in a pending-lapse state before termination. The period is defined in increments of months by a one-digit character in the parameter in the 10th position. By default, the system applies a three-month delayed lapse period, but if the program parameter is populated with a number between one and nine, it will override the number of months. Changing the parameter will affect new lapses going forward.

While the pandemic continues to bring new challenges and opportunities to adapt business processes, TAI aims to make navigating these transitions as easy as possible. If you have any concerns that arise in the "new normal," don't hesitate to bring them to our attention – we will do our best to find a fast and viable solution.