# LIFE INSURANCE UNDERWRITING SYLLABUS

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DIPLOMA IN LIFE INSURANCE UNDERWRITING

IC 01 - PRINCIPLES OF INSURANCE
(Revised Edition: 2011)

Objectives

This course intends to provide a basic understanding of the insurance mechanism. It explains the concept of insurance and how it is used to cover risk. How insurance is transacted as a business and how the insurance market operates is also explained. The relationship between insurers and their customers and the importance of insurance contracts are discussed. Some commonly used insurance terms are also listed out. An overview of major life insurance and general insurance products is included as well.

Contents

Chapter 1: Risk Management: Provides an understanding of risk management – different types of risks – actual and consequential losses – management of risks – loss minimization techniques.

Chapter 2: The Concept of Insurance and its Evolution: The basics and nature of insurance – evolution and nature of insurance – how insurance operates today – different classes of insurance – importance of insurance – how insurance takes care of unexpected eventualities.


Chapter 4: The Insurance Market: The various constituents of the insurance market – operations of insurance companies – operations of intermediaries – specialist insurance companies – insurance specialists – the role of regulators – other bodies connected with insurance.


**Chapter 7: Insurance Terminology:** Common terms used in insurance – terms common to both life and non-life insurance – terms are specific to life and non-life insurance – how insurance terms are used.

**Chapter 8: Life Insurance products:** The risk of dying early – the risk of living too long – different products offered by life insurers – term plans – pure endowment plans – combinations of plans – traditional products – linked policies – features of annuities and group policies.

**Chapter 9: General Insurance Products:** Risks faced by the owner of assets – exposure to perils – features of products covering fire and allied perils – products covering marine and transit risks – products covering financial losses due to accidents – products covering financial losses due hospitalization – products covering miscellaneous risks.

**Annexure:** A write up on the history of insurance is provided.
Objectives:

To acquaint the candidates appearing for Licentiate Examination with the different aspects of life insurance, its different applications and its detailed features. It gives the reader an insight into the different types of life insurance plans & products, and its variations. The method of premium calculation and bonus, the different types of annuity plans, group insurance plans etc., are explained in a lucid style, for an easy understanding. Topics on unit-linked policies, nomination and assignments, lapsation and revival of policies, surrender values and foreclosure, as also policy claims have all been brought out very well.

This book has additional features of (1) Examples, (2) "Test yourself" questions in every chapter - (3) Learning outcomes and (4) Pictorial and diagrammatic representations for facilitating a good understanding of the subject.

Contents:


Chapter 2: Premiums and Bonuses: Concept of premium – Different types of premium – Different factors considered in calculating premium – Bonus in policies – Different types of bonus in life insurance policies.


Chapter 4: Annuities: Understand the concept of annuity – Different types of annuity plans – Advantages and disadvantages of annuity – Annuity Vs Life Insurance – Important terms used in annuity.

Chapter 5: Group Insurance: Importance of group insurance schemes – Main features of group insurance schemes – Eligibility conditions in group insurance – Different types of group insurance schemes – Group Term Insurance Scheme – Group Gratuity Scheme – Group Superannuation scheme – Types of group superannuation schemes – Group Leave Encashment scheme – Employees Deposit – Linked insurance Scheme – Group Insurance Scheme in-lieu of EDLI – Social Security Scheme.


Annexures:

References & Recommended Readings:
- Life and health insurance handbook— Davis W. Gregg
**IC 22 - LIFE INSURANCE UNDERWRITING**
(Revised Edition: 2012)

**Objectives:**

To acquaint the candidates appearing for Associateship Examination with the principles and concepts of underwriting, providing them an over-view of financial underwriting, impact of occupation, residence and avocations on decision making in underwriting, the current trends, processes and practices adopted in underwriting by life insurance companies today. It also covers topics on reinsurance, the anatomy and physiology of the human body with the diseases and medical conditions, and their impact on underwriting life insurance policies. The glossary and the annexures section also further help the understanding of underwriting of life insurance policies.

**Contents:**

**Chapter 1: Life Underwriting - Principles & Concepts (Part-1):**

**Chapter 2: Life Underwriting - Principles & Concepts (Part-2):**

**Chapter 3: Underwriting: Structure and process:**

**Chapter 4: Financial Underwriting:**


Chapter 16: Glossary: Definition of commonly used terminology in underwriting

Annexure: Section containing commonly used forms, and questionnaires in underwriting.

References & Recommended Reading:
• Underwriting Principles–Author – Joseph F Mangan / Connor M Harrison
• Advanced Underwriting Techniques--Author --, Joseph F Mangan / Connor M Harrison,
• Guide to Life Assurance Underwriting including short glossary of medical terms--Author – J.E.Evans, J E / W N Mann /
• Underwriting management--Author – C.I.I.
• Underwriting Practice--Author – C.I.I.
• Life and disability underwriting -C.I.I.
• Life and health insurance underwriting –Author – Mary C. Bickley /Barbara Foxenberger Brown / Brown Jane Lightcap
• Life Insurance Underwriting --Author – K.C.Mishra / R.Venugopal
IC AIU 01 – LEGAL AND REGULATORY ASPECTS FOR LIFE UNDERWRITERS

First Edition: 2014

Objectives: This module examines the Legal aspects of Life Insurance, including the basic principles of Contract Law, Life Insurance Contracts, Exchange Control Regulations, and Consumer Protection Act in India etc. It also intends to make candidates appreciate the importance of various Insurance Regulations and to have a basic understanding of various Acts / Rules / Regulations / Legal provisions that a Life Insurance Underwriter would be expected to adhere to in the discharge of his/her day-to-day activities. This book puts forth the complex rules and regulations in a simple manner along with learning outcomes.

Contents:

Chapter 1: Law of Contract: Elements of a contract like offer and acceptance – capacity of parties to contract – consensus ad idem – consideration and legality of object- Salient features of the life insurance contracts like the principle of indemnity, insurable interest and Utmost Good Faith.

Chapter 2: Life Insurance Contract I: Concept of Proposal and policy, principle of insurable interest, principle of indemnity, representation and warranty, understand the indisputability clause (Section 45 of the Insurance Act, 1938)


Chapter 10: Right to Information Act, 2005: IRDA’s Obligation under the Act – Complaints against Insurance Companies – Complaints from policy holders- Process for making the Application under the Act – Right to Appeal.

Chapter 11: Policies to Non Resident Indians (NRI's) / Person of Indian Origin (PIO’s) / Foreign Nationals: Defining Non Resident Indians, Persons of Indian Origin and Foreign Nationals- Documentation required for underwriting such applications.


Objectives: This course intends to provide an understanding of Basic Life Underwriting aspects such as diagnostic tests and basic laboratory testing for various medical conditions and those that can be obtained for insurance testing. Also included are information to assess cardiovascular risk factors such as build, hypertension, diabetes as well as its complications, cancer and its staging as well as treatment methods, coronary artery disease, its treatment and underwriting considerations.

Contents:

Chapter 1: Diagnostic Tests: Provides an understanding of various diagnostic tests available, a brief explanation of processes involved in conducting the tests and the use of the tests. It also explains specialized diagnostic tests used to diagnose various medical conditions.

Chapter 2: Build and Blood pressure: Provides an understanding of build and blood pressure, their measurement, diagnostic tools, treatment and complications of obesity and hypertension with case studies.

Chapter 3: Diabetes: Provides understanding of anatomy and physiology of diabetes, its types, diagnosis, treatment and complications. Prevalence and Mortality/Morbidity Implications and case study.

Chapter 4: Cancer: Provide basic knowledge about cancer and tumours, benign and malignant tumours, available diagnostic tests, cancer pathology, its staging, treatment protocols and cancer prognosis

Chapter 5: Coronary artery disease: Provides understanding of the anatomy and physiology of the heart, coronary artery disease, cardiovascular risk factors, Angina and myocardial infarction, diagnostic tools, treatment, prognosis and underwriting considerations

Chapter 6: Basic laboratory testing: Aims at developing basic understanding of laboratory testing of blood, urine, saliva and tumor markers
The IC AIU 02 student will be required to refer to the Book: Scanlon, Valerie C. and Sanders, Tina, Essentials of Anatomy and Physiology, Fifth Edition, Philadelphia, PA, F. A. Davis Company, 2011. He / She will be responsible for the material in the following chapters. The contents of each chapter, including the material in the boxes, tables, and figures, will be tested.

**Chapter 1: Organization and General plan of the body:** provides understanding of our human body as a complex network of cells, tissues, organs and organ systems. This chapter helps understand the basic Anatomy and Physiology of the human body. It describes the simplest component i.e. the cell and goes on to describe the complex organ systems like Circulatory, digestive etc.

**Chapter 4: Tissues and Membranes:** Aims at explaining the major categories of tissues and their functions. It helps understand the difference between endocrine and exocrine glands.

**Chapter 10: The Endocrine System:** Aims at explaining the endocrine glands, the various hormones they produce and their functions.

**Chapter 12: The Heart:** Explains the location, structure, functions of the heart. It explains important terminology like cardiac cycle, stroke volume, and cardiac output.

**Chapter 16: The Digestive System:** Describes the various components and general functions of the digestive system. Diseases like Hepatitis etc have been covered in brief.

**Chapter 18: The Urinary System:** Describes the location and general function of each organ of the urinary system. It explains how the kidneys help maintain normal blood volume and blood pressure. Conditions like Renal Stones, Renal Failure are explained here.

**Appendix: F Prefixes and Suffixes**
ADVANCED DIPLOMA IN LIFE INSURANCE
UNDERWRITING

IC AIU 03-INTERMEDIATE MEDICAL LIFE INSURANCE UNDERWRITING
First Edition: 2015

Contents:

Chapter 1: The Gastrointestinal System

Chapter 2: Liver and Bile Duct Disorders

Chapter 3: Four Cancers: Malignant Melanoma Of The Skin, Prostate Cancer, Breast Cancer, & Colorectal Cancer

Chapter 4: The Reproductive System

Chapter 5: Disorders of the Nervous System

Chapter 6: Underwriting Mental Illness and Psychiatric Disorders

Chapter 7: The Respiratory System

Chapter 8: Disorders of the Kidney and Urinary Tract

Chapter 9: An Overview of Endocrinology

Chapter 10: Arthritis and Rheumatic Diseases

Chapter 11: Adult Valvular Heart Disease

Chapter 12: Hematological Disorders

Chapter 13: Coronary Artery Disease (Cad)

Chapter 14: The Vascular System, Non-Cardiac

Chapter 15: Pharmacology

IC AIU 03 student will be required to refer to the Book: Scanlon, Valerie C. and Sanders, Tina, Essentials of Anatomy and Physiology, Fifth Edition, Philadelphia, PA, F. A. Davis Company, 2011. He / She will be responsible for the
material in the following chapters. The contents of each chapter, including the material in the boxes, tables, and figures, will be tested.

Chapter 5: The Integumentary System

Chapter 8: The Nervous System

Chapter 9: The Senses

Chapter 11: Blood

Chapter 13: The Vascular System

Chapter 15: The Respiratory System

Appendix: F Prefixes and Suffixes
Contents:

Chapter 1: The Relationship of Product Pricing and Underwriting

Chapter 2: Cost Benefit Analysis of Underwriting Requirements

Chapter 3: Life Tables, Underwriting, And an Introduction to Mortality Analysis

Chapter 4: Sources and Interpretation Of Financial Evidence

Chapter 5: Understanding the Financial Documents

Chapter 6: Underwriting Of Large Sum Assured Cases

Chapter 7: Underwriting the High Profile Individual

Chapter 8: Underwriting Alcohol and Drug Abuse

Chapter 9: Preferred Risk Underwriting

Chapter 10: Morbidity Risks (Underwriting)

Chapter 11: Group Insurance and Group Life Underwriting

Chapter 12: Underwriting Consequences in A Legal Setting

Chapter 13: The Fundamentals of Life Reinsurance

Chapter 14: Post- Issue Policy Changes

Chapter 15: Life Claims

Chapter 16: Managing the Underwriting Department

Chapter 17: Red Flags, Antiselection and Fraud
IC AIU 05- ADVANCED LIFE INSURANCE UNDERWRITING
First Edition: 2015

Contents:

Chapter 1: Overview of the Immune System

Chapter 2: Inflammatory Bowel Disease

Chapter 3: Multiple Sclerosis

Chapter 4: An Overview of Infectious Diseases – Part I

Chapter 5: An Overview of Infectious Diseases – Part II – Tuberculosis

Chapter 6: Underwriting the Elderly

Chapter 7: An Underwriter’s Guide To Cardiac Diagnostic Testing

Chapter 8: Introduction to Electrocardiography and Cardiac Arrhythmias

Chapter 9: Childhood Cancers

Chapter 10: Leukemias and Lymphomas

Chapter 11: Underwriting Complex Cancer Issues

Chapter 12: Neurological Disease

Chapter 13: Congenital Heart Disease

Chapter 14: Cardiomyopathies and Selected Non-Cardiac Heart Disease

Chapter 15: Rheumatoid Arthritis

IC AIU 05: student will be required to refer to the Book: Scanlon, Valerie C. and Sanders, Tina, Essentials of Anatomy and Physiology, Fifth Edition, Philadelphia, PA, F. A. Davis Company, 2011. He / She will be responsible for the material in the following chapters. The contents of each chapter, including the material in the boxes, tables, and figures, will be tested.

Chapter 3: Cells

Chapter 6: The Skeletal System
Chapter 7: The Muscular System

Chapter 14: The Lymphatic System and Immunity

Chapter 21: Human Development and Genetics

Chapter 22: An Introduction to Microbiology and Human Disease

Appendix F: Prefixes and Suffixes