



# Diabetes and Life Insurance

A Special Report by [LifeInsure.co.uk](http://LifeInsure.co.uk)

## Introduction

Securing life insurance as a diabetic can be a difficult and costly process. Many insurers will refuse cover, or will set very high premiums. This guide looks at how various insurance underwriters view diabetes, and the key factors insurance underwriters use to determine your premium.

Using information from insurance underwriters and industry experts, we show you how you can find the best provider and secure the lowest rate possible for your circumstances.

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## About diabetes

Diabetes is a condition where the blood sugar level is higher than normal. There are two main types of diabetes;

**Type 1 diabetes** or insulin-dependent diabetes. It is commonly seen in young people.

**Type 2 diabetes** - most of the time this is non insulin-dependent. It is most commonly seen in adults over 40, and overweight people.

There are other types of diabetes, such as gestational diabetes. It's associated with pregnancy, and in most cases symptoms disappear after birth. However, if you get gestational diabetes, there is an increased risk that you may develop one of the main 2 types of diabetes in later life.

There is also secondary diabetes, which is diabetes caused by the result of another condition or using medication such as steroids.

## How common is diabetes?

There are around 2.3 million people with diabetes in Britain. It's also estimated that more than half a million people have the condition but are unaware of it. Over the past 30 years, childhood diabetes has increased 300%. This is linked to an increase in obesity levels, but obesity doesn't explain the increase in Type 1 diabetes in children, and this is where the majority of new cases are appearing.

## What causes diabetes?

Insulin is a hormone produced by the pancreas gland in the abdomen. It controls the use of glucose (sugar) within the body.

*".. only 10 per cent of people with Type 1 have a family history of diabetes.."*

In Type 1 diabetes, the pancreas is producing little or no insulin. In Type 2 diabetes, the pancreas is producing insulin, but not enough, or it is in-effective. There appears to be a link between Type 2 diabetes and obesity.

Gestational diabetes is caused by the many hormone changes during pregnancy. Secondary diabetes can be caused by damage to the pancreas (e.g. by alcohol), and drugs such as steroids and diuretics.

## Common symptoms of diabetes:

- increased thirst
- frequent urination
- tiredness
- weight loss,
- increased appetite (especially in Type 1 diabetes)
- itchiness, especially around the genitals
- infections on the skin, e.g. boils.

In Type 1 diabetes these symptoms will appear within days or weeks, with Type 2 is can take years. Heredity plays a part in diabetes, but only 10 per cent of people with Type 1 have a family history of diabetes. For Type 2, this rises to 30 per cent.

## How is a diagnosis made?

A blood sample is taken, and glucose levels are measured.

Random glucose test: Glucose levels are taken at a random time on two occasions. Any figure above 11.1mmol/l is a diagnosis of diabetes.

Fasting glucose test: The glucose level is measured after an overnight fast and on two different days. Above 7.0mmol/l is a diagnosis of diabetes.

## How is diabetes treated

Always consult your GP immediately if you have a health problem or you are concerned about diabetes. Diabetes is currently treated in two ways;

- healthy diet and exercise
- medication with tablets and/or insulin.

Insulin injections help increase the amount of insulin in your body and bring down the blood sugar level. Insulin injections are used in Type 1 diabetes, and in some cases of Type 2.

These can be taken once a day, or more frequently through the day. They can be used in combination with tablets if necessary.

There is oral medication available for treating Type 2 diabetes:

- some increase insulin secreted by the pancreas
- some increase the action of insulin in the body
- some delay the absorption of glucose from the digestive system
- some suppress a hormone called glucagon, which stops insulin from working.

Treatment for diabetes depends on the person. Monitoring blood level using a blood glucose meter is an important part of treatment (especially in type 1 diabetes, where levels are more erratic).

## Managing diabetes

Diabetes is monitored through routine check-ups with your G.P (about every 3-6 months), and/or annual check-ups at the hospital on an outpatient basis.

The doctor will check the level of HbA1c (a measure of long-term glucose), home glucose readings, blood pressure and weight.

Their main purpose is to see if treatment is working as good as it can do, and to also check for any complications, such as kidney disease.

The annual check-up will include a urine sample and foot examination, and further discussion on ongoing treatment, exercise and smoking habits.

### Long-term prospects

- Both types of diabetes have the risk of complications.
- Diabetic acidosis, a life-threatening condition caused by the lack of insulin.
- Retinopathy - can cause blindness.
- Diabetic kidney disease - can lead to kidney failure.
- Diabetic neuropathy - can cause foot ulcers and foot infections.
- Atherosclerosis (hardening of the arteries) - particularly in smokers and those with high blood pressure and abnormal fat levels in the blood.

Apart from Diabetic acidosis, these complications do not usually develop for 10-15 years, although in Type 2 diabetes symptoms can appear quicker, as time of diagnostic is usually longer.

It is widely considered that good glucose control significantly reduces, or even stops these complications. This means keeping the blood sugar level as close to normal as possible.

Recent studies have also highlighted the need for people with diabetes to reduce their risk of fatty deposits in your arteries, because if you have Type 2 diabetes, you have a four to five times greater risk of developing serious problems with your circulation that can lead to a heart attack or a stroke.

The main factors that increase your risk are:

- smoking
- high blood pressure
- raised levels of fats such as cholesterol in the blood.

By taking measures to address these issues, you will reduce your chance of developing complications.

## The 7 important factors of a diabetic's insurance rating

Besides the standard questions insurers ask everyone to gauge their risk (age, occupation, household income, etc), there are 7 factors that become more important when you are a diabetic. These are:

- Your diabetes type
- The onset age of the disease
- Your family history
- Your HbA1c readings
- Type of treatment
- Your height and weight
- Your general health.

Obviously some of these you cannot change, but others you can. Let's have a look.

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### 1 - Your diabetes type

The first thing the insurer is going to look at is your diabetes type.

Type 1's tend to be classed as "high substandard" in the best cases, and will usually have trouble finding life insurance that is medically underwritten. An option is to look for "simplified issue" policy that isn't medically underwritten. It's still going to be expensive life insurance.

Type 2's, your degree of control is a bigger factor when looking for life insurance, especially if you are not insulin-dependent. If you can show that you keep your condition under control (based on a doctor's recommendation and A1C values), you have a strong chance of being classed as "standard." This will save you a lot of money.

### 2 - Onset age

The age when the insured was diagnosed is a big factor. Younger diabetics are usually underwritten more carefully than older diabetics.

#### **Why is life insurance so hard to get for diabetic young people?**

Insurance companies largely haven't done mortality studies on children with any severe impairment such as diabetes or heart disease, etc so they don't have any data upon which to base the pricing for products, and there isn't a financial incentive for them to study and create products for a small market.

Life insurance for people under the age of 20 is almost non-existent. Some companies will look at it on a case-by-case basis, but the criteria a young person would have to meet is unclear. Typically you will have to wait till the young person is 15-20.

For type 1's, the younger the age diagnosed, the higher the likely premium.

For type 2's, The age the condition is diagnosed is generally not as much of a factor, as it is usually diagnosed from age 30 onwards.

Once diabetes is under control you should try to obtain life insurance as soon as possible, since it can lead to other health issues that can make it even more difficult to obtain life insurance.

### **3 - Family history**

The insurer will ask about your family history. They are primarily interested in the prevalence of diabetes in your parents and grandparents, any complications they received, and if applicable, how they died. Statistically, if your family has complications or died due to a diabetes-related condition, you are more likely to have similar complications yourself.

### **4 - HbA1c readings**

HbA1c is a long-term measure of how you are managing your blood sugar levels.

A good insurer will be interested in your readings. Different insurers we spoke to have different sliding scales for qualifying for life insurance. Having too high a reading can rule out insurers completely. HbA1c levels should be under 6.5% if possible.

For the best quotes, a HbA1c reading of 6.5% or under is desirable. More tolerant insurers quoted a level of 8% as desirable, but readings over 9.9% on your A1c Haemoglobin Test can spell real problems when it comes to qualifying for life insurance.

Some insurers will base their decision on your last fasting glucose or glycohaemoglobin reading instead. The bottom line is, whether you have Type 1 or Type 2 diabetes, try to ensure that your A1C is as low as possible, that you control your blood glucose level appropriately, and that your general state of health is good.

## 5 - Type of treatment

The provider may ask questions regarding how you manage your diabetes. Do you use a controlled diet, oral medication, or Insulin? If it is insulin, what is the amount taken daily? Is the treatment under good control? If you have a lower A1C, good blood glucose control, lead a healthy lifestyle, and do not have complications from diabetes, chances are your rate will be more reasonable too.

All things being equal, an insulin-dependent diabetic will pay a higher premium than those who don't depend on insulin.

The insurer may also enquire about how often you visit your doctor, to gauge to what level you monitor your diabetes. Body mass index uses height and weight to broadly categorize your body state

## 6 - Height and weight

The provider will ask your height and weight. With the perceived link between obesity and complications in diabetes, being overweight can have a big effect on the policy decision the insurer will ultimately make. Try to keep your body mass index between 18.5-25 before applying for your policy to avoid any red flags.

Some providers ask more specific questions about the amount of exercise you do and the type of diet you have. All of these things can greatly count for and against you when applying for a life insurance policy as a diabetic, so it's important to be as healthy as possible.

## 7- General health

Everyone who applies for life insurance, whether diabetic or not, will be asked general health questions. You may be asked about high blood pressure, your cholesterol levels, and whether your diabetes has had any complications. Information from your GP here can be very valuable.

Diabetics are also more likely to suffer renal damage, neuropathy, retinopathy and heart disease, problems with circulation, eyes, heart, infections or kidneys. This is another reason to apply for your life insurance early. If you suffer these complications, getting life insurance will be much harder.

In summary, a number of factors affect your insurance rating. If you keep in general good health and manage your diabetes well, keep your glucose readings within acceptable limits and apply early, you are in very good stead to save a lot of money on your insurance premiums.

### Why is life insurance more expensive for a diabetic?

Life insurance companies essentially bank that you'll be alive long enough to pay premiums sufficient to cover your death benefit. The shorter length of time a person like you lives on average, the more a company is going to charge. They're not in it to lose money.

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A study conducted by the American Diabetes Association suggests that the rate of death among diabetics due to heart disease is possibly as high as 75%.

One recent study on diabetes indicates type 2 diabetes, well controlled or not, results in a high occurrence of heart disease. Strokes and heart attacks are the leading cause of death among type 2 diabetics.

Under-control type 2 diabetics tend to live longer and pay over a greater period of time, so they tend to pay less for life insurance. As a diabetic you know how important it is to take care of yourself, we'll see how this can pay off in your life insurance premiums.

Some companies just do not want any special risks and bump the price up. They find special risk applicants disruptive to their primary business - insuring people who have no major health issues. You can waste a lot of time with companies like this, and you end up with a very high premium.

In the case of life insurance, it's within the insurer's rights to choose to not provide life insurance based on an applicant's chronic health conditions, like diabetes. Many charities have been lobbying to get this changed, with no great success so far.

However, as a diabetic it is interesting to know that some insurance companies are changing their view on diabetes. The insurance industry is always changing.

Some insurance underwriters we talked to now put less emphasis on lowering glucose numbers, as they were putting too high an emphasis on a low HbA1c as a factor in mortality rates.

As research into the cause of death of diabetics continues, some life insurance companies are becoming less stringent about glucose levels. However they may also be adjusting mortality tables to reflect the rising evidence of the prevalence of heart disease in diabetics.

The best life insurance rates for diabetics generally go to late onset (after age 50), an HbA1c of 6.5 or under, with no complications resulting from diabetes. Let's look further into this by discussing your insurance rating.

### **Insurance ratings and you**

Life insurance companies can't truly look at each person individually when determining premiums. They have to group people into rating classes. These broad classifications will be used by an insurance company to determine the risks that may be associated with providing coverage to any potential customer, including a diabetic. Unsurprisingly, life insurance for diabetes tends to be rated lower than for other people.

### **The common insurance groups**

The usual life insurance rating levels are Super preferred/preferred plus, Preferred, Standard and Substandard.

Luckily, many companies further split the two lower categories into varying levels, from "very low substandard", to "very high standard". Our aim is to find one of these companies, and work our way up these ranks. Improving your rating means significant savings on your premiums.

For example, if a 35-year-old man or woman is applying for life cover only and they have had type 1 diabetes for a year, they would be generally looking at a 250% loading on the premium. If they had type 2 diabetes there would be a 150% loading. These figures can be reduced in half if you can achieve a higher insurance rating.

Individuals with diabetes will not receive a preferred or super preferred classification with any company. At best, highly controlled diabetics will be offered a "standard" premium.

It is really important to find a provider that understands diabetes. A track record that shows long-term control of your disease can go a long way in finding acceptance with one of these life insurance providers. Also, it would be subject to a GP report confirming that the diabetes is well controlled.

## Tips from the experts

*"The most important thing I can suggest is to shop around. Each life insurance company has its own unique underwriting criteria. You can start by shopping around on the internet yourself (be prepared to hear "no" a lot), or ask friends for a referral.*

*A good options is to use a broker. Ensure you use one that is fully aware of the guidelines from each carrier, and make that they're aware of your condition from the start. Some brokers are more experienced in obtaining policies for individuals with "impaired risk" and will be able to find a policy tailored to your profile.*

*There are also insurance companies that specialise in diabetes insurance, but don't assume these will necessarily be cheaper!" - Ahsan Chaudary (life-assurance.org.uk)*

*"Many providers will label you as "diabetic", and will not insure you based on this fact. Apply for a policy from an insurance carrier that uses "Clinical Underwriting". Essentially this process looks at your total health, and is more tailored to you. These policies are more likely to take into account how you manage your diabetes.*

*If you have other insurance already with a provider (such as health insurance/travel insurance), I have seen it that they are more likely to provide life insurance to you, as they already "know you". Don't apply for critical illness cover at the same time though, or your policy will be denied." - Les Armstrong (legaladvisors.org.uk)*

*"Be honest about your condition from the start, or you can risk the payout being denied if you failed to disclose details upon getting your policy.*

*It is important to choose a provider that is financially sound. Check the background of any provider that appears to be undercutting the competition.*

*Finally, remember to read the fine print of your policy carefully before you sign it, and you will have 30 days to cancel your policy if you are unhappy." - Derek Matchett (lifeinsure.co.uk)*

### The Author



[Robert Prime](#) has been involved in the life insurance industry since 2006 and is the co-owner of lifeinsure.co.uk. Having worked within an authorised environment and joint managed several brokerages he has gained a lot of experience in this sector which he is keen to share with the public.