

Being Overweight Carries Life Insurance Pains

It's no secret having health problems can make it harder for you to buy life insurance. High blood pressure, diabetes, and heart disease are among the conditions that can make it difficult to buy life insurance.

If you're overweight, but otherwise healthy, you still might have a hard time buying life insurance. Even if you're not obese, there are some cases in which you'll have to pay more for life insurance if your weight reaches a certain level. In most instances, the heavier you are, the more you'll pay.

It's all about "Build"

Along with age, medical history, and lifestyle, life insurance companies take your "build" into consideration on your application. "Build" is your weight relative to your height. Life insurers use tables that combine the two factors to help determine what kind of risk you pose. (See the American Medical Association's table at the end of this story.)

The more you weigh in relation to your height, the more potential you have for health problems. The ideal life insurance customer is someone who is expected to live a long, healthy life. Statistics show overweight people pose increased insurance risks, because they are likely to develop health problems as they grow older. According to a study published in the *Journal of the American Medical Association*, excess weight is linked to 280,000 deaths in the U.S. annually.

The average American waistline is getting bigger. In a study published in the *Journal of the American Medical Association* (JAMA), the Centers for Disease Control and Prevention (CDC) reported obesity climbed from 19.8 percent of American adults to 20.9 percent between 2000 and 2001. The CDC also reported diagnosed cases of diabetes increased from 7.3 percent to 7.9 percent during the same one-year period. The increases were evident regardless of sex, age, race and educational status.

"Obesity and diabetes are among our top public health problems in the United States today," says U.S. Health and Human Services Secretary Tommy Thompson. "The good news is that diabetes and other chronic illnesses can be prevented with modest lifestyle changes."

The more you Weigh, The more you'll Pay

If you're just a little overweight, say about 10 pounds, you might see no difference in the life insurance rates you are quoted. If you're severely overweight, you'd better budget more money for life insurance.

A person can be denied life insurance if he/she are "grossly overweight or dramatically obese," even if he/she does not have any other health problems. A company will also charge higher premiums if your weight is significantly more than it should be in relation to your height.

If a 40-year-old, 6-foot-tall male is 270 pounds, he might pay 15 to 20 percent more than a person of ideal weight. If the person weighs 300 pounds or more, that figure could jump to 30 to 35 percent.

All large life insurers take a similar approach to underwriting. People who are at 150 percent of their desired weight will see an increase in premium. Again, in these cases, the more weight you carry, the more your premium will be. It's possible to be rejected by weight, but it's rare. Most of the people with weight problems do have other health problems, like high blood pressure and high cholesterol.

Even if you are just moderately overweight, life insurance could still cost more. People who are slightly overweight can be disqualified for a "preferred rate," which is a lower premium that rewards people who are healthy. For example, a person who is 20 to 30 pounds overweight and does not have high blood pressure or diabetes might get a normal rate, but they won't see the preferred rate.

Weight problems can dog you whether you are applying for permanent or term life insurance. Underwriting is based on survival mortality. It won't be different if you are applying for term or permanent insurance.

Where the "Uninsurable" go

Where can you go if you are rejected because of your weight? There are companies specializing in insuring people with health problems.

One way some companies insure obese people is by offering a "graded death benefit policy" that pays out varying amounts depending on how long you live. In short, the longer you live, the more money your beneficiaries receive. For example, if you die within the first year, your beneficiary might get the premium you paid plus 10 percent interest. If you die within two years, your beneficiary could get 25 percent of the death benefit; in three years, 50 percent; in four years, 75 percent; and in five years, the full 100 percent.

Other insurers offer graded death benefits for obese people only in extreme cases. These companies generally use "tables" or categories that combine height and weight to determine what kind of policy should be issued.

If you feel premiums are too expensive, some companies will advise you to seek a lower death benefit to make insurance more affordable.

How much is too much?

The following table compiled by the American Medical Association shows a desirable weight range in both men and women. Keep in mind life insurance companies might not use this same data, but the chart should give you a sense of how you measure up in relation to the ideal weight for your height.

Desirable Weight Range							
Height		Small frame		Medium frame		Large frame	
Men	Women	Men	Women	Men	Women	Men	Women
5'1"	4'9"	123-129	99-108	126-136	106-118	133-145	115-128
5'2"	4'10"	125-131	100-110	128-138	108-120	135-148	117-131
5'3"	4'11"	127-133	101-112	130-140	110-123	137-151	119-134
5'4"	5'0"	129-135	103-115	132-143	112-126	139-155	121-137
5'5"	5'1"	131-137	105-118	134-146	115-129	141-149	125-140
5'6"	5'2"	133-140	108-121	137-149	118-132	144-163	128-144
5'7"	5'3"	135-143	111-124	140-152	121-135	147-167	131-148
5'8"	5'4"	137-146	114-127	143-155	124-138	150-171	134-152
5'9"	5'5"	139-149	117-130	146-158	127-141	153-175	137-156
5'10"	5'6"	141-152	120-133	149-161	130-144	156-179	140-160
5'11"	5'7"	144-155	123-136	152-165	133-147	159-183	143-164
6'0"	5'8"	147-159	126-139	155-169	136-150	163-187	146-167
6'1"	5'9"	150-163	129-142	159-173	139-153	167-192	149-170
6'2"	5'10"	153-167	132-145	162-177	142-156	171-197	152-173
6'3"	5'11"	157-171	135-148	166-182	145-159	176-202	155-176

Source: American Medical Association

This Chart is Ultra Conservative vs. Actual Charts used by Life Companies

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