



LIMITED TEMPORARY LIFE INSURANCE AGREEMENT (LTLIA)

How to ensure your clients obtain interim coverage during the application process

What is LTLIA?

The Limited Temporary Life Insurance Agreement (LTLIA) is a valuable option available to your clients that provides temporary coverage for eligible applicants during the application process.

LTLIA coverage available

LTLIA provides temporary coverage that is the lesser of:

- The plan amount applied for to cover the Proposed Insured(s) under the base life policy; or
- \$1 million plus the amount of any premium paid for coverage in excess of \$1 million; or
- If death is due to suicide, the amount of premium paid will be refunded and no death benefit will be paid.

For the specific terms and conditions of LTLIA, please refer to the LTLIA form which is included with the application packet for the state of issue. Terms and Conditions are listed on page 2 of the LTLIA form.

Since LTLIA is an interim agreement, the coverage is temporary. The details of when LTLIA coverage begins and ends can be found in the “Terms and Conditions of Coverage Under This Agreement” section of the LTLIA form.

Please see the following pages for information about:

- [Applying for LTLIA \(all states except Kansas\)](#)
- [Applying for LTLIA - Kansas only applications](#)
- [Frequently Asked Questions](#)

Bank draft authorizations and LTLIA

A Bank Draft Authorization will be considered payment of the first modal premium if submitted with the Part A application and the payment is processed by the financial institution.

Make sure your clients understand bank draft timing when selecting between “Draft at Submit” and “Draft at Issue” options on the Bank Draft Authorization form.

Here are the differences:

Draft at Submit

We will draft upon submission of the application if the LTLIA is In Good Order

Draft at Issue

We will draft upon issue of the policy.

Applying for LTLIA (all states except Kansas)

The Limited Temporary Life Insurance Agreement (LTLIA) form is included with the application packet for the state of issue.

To determine if your client is eligible for temporary coverage, the health and age questions in Section 3 of the LTLIA form must be completed.

- **If the answer is YES to any one of the health and age questions**, temporary insurance is NOT available Do not complete the form.
- **If the answers to ALL of the health and age questions in Section 3 are NO**, the applicant is eligible for temporary insurance and the following items are required to process the LTLIA request:
 - Complete, sign, and date page 1 of the LTLIA form. Leave page 1 and page 2 with client. Return a copy, or a duplicate original, of page 1 with the Part A application.
 - Part A of the application must be completed, signed, and dated.
 - Part B of the application must be completed, signed, and dated, and all medical exam requirements satisfied.
 - The first modal premium must be paid. The first modal premium will be considered paid if one of the following valid items is submitted with Part A of the application and that payment is processed:
 - A check in the amount of the first modal premium
 - A completed and signed Bank Draft Authorization
 - A completed and signed Credit Card Authorization (on select products only)
 - A completed and signed Salary Savings Authorization
 - A completed and signed Government Allotment Authorization
 - A completed and signed Payroll Deduction Authorization

Client Notification

If a LTLIA form is submitted with the Part A application and your client is not eligible for coverage, an “Off Risk” letter will be sent to the client stating that temporary coverage is not in effect.

Applying for LTLIA - Kansas only applications

The Kansas Department of Insurance requires a different process for LTLIA applications. Following is a list of Kansas-specific requirements.

- **If the answer to question L, M or N on the Application (Part A) is YES or left blank,** temporary insurance is NOT available and therefore:
 - No Limited Temporary Life Insurance Agreement form may be provided to the applicant.
 - No premium may be collected.
 - No authorization for payment may be taken (this includes bank draft and credit card authorizations).

- **If the answer to questions L, M and N on the Application (Part A) are all No AND a form of premium has been collected,** the applicant is eligible for LTLIA coverage and the following items must be submitted:
 - Complete, sign, and date page 1 of the LTLIA form. Leave page 1 and page 2 with Owner. Return a copy, or a duplicate original, of page 1 with the application.
 - Part A of the application must be completed, signed, and dated.
 - The first modal premium must be paid. The first modal premium will be considered paid if one of the following valid items is submitted with Part A of the application and that payment is honored:
 - A check in the amount of the first modal premium
 - A completed and signed Bank Draft Authorization
 - A completed and signed Credit Card Authorization (on select products only)
 - A completed and signed Salary Savings Authorization
 - A completed and signed Government Allotment Authorization
 - A completed and signed Payroll Deduction Authorization

PLEASE NOTE:

For Kansas cases, no form of premium should be collected unless the applicant meets the conditions for eligibility as noted in the Part A questions at left and the LTLIA form has been signed by the owner.



LTLIA - Frequently Asked Questions

Q. Do the Health and Age questions need to be answered on the Limited Temporary Life Insurance Agreement even though they have been answered on the application?

- A. Yes. Coverage under the Limited Temporary Life Insurance Agreement is void if any questions on the form are left blank. In such cases, the initial premium payment will be returned immediately and temporary coverage will not be in effect.

Q. If a policy has a Primary Proposed Insured and/or Other Proposed Insured separate from the Owner, do all parties have to sign the LTLIA agreement?

- A. Yes, all parties must sign the LTLIA form when there is a separate Primary Proposed Insured and/or Other Proposed Insured. If the necessary signatures are missing, the initial premium payment will be returned immediately and temporary coverage will not be in effect.

Q. Can the signatures be collected upon policy delivery?

- A. All signatures must be collected at the time of application and completion of the LTLIA.

Q. What happens if the signed LTLIA form is not submitted with the state-specific Application Part A and initial premium payment?

- A. Processing on the application will be delayed and any payment received will be returned immediately.

Q. How do I know I have the updated forms?

- A. The best way to obtain up-to-date state-specific applications is by using Forms Depot or iGO eApp. The state-specific applications automatically include the most current LTLIA form in approved states. Simply access Forms Depot via the website or Connex single sign-on and the updated versions will be automatically selected!

Q. When the EFT or credit card is submitted with the LTLIA receipt, will the account be charged immediately?

- A. If Draft at Submit is selected on the Bank Draft Authorization form, the account will be charged immediately.

If Draft at Submit is not selected, or if the client is paying initial premium with a credit card, the account will not be charged until the policy is placed in force. For applications that are issued as applied for, this will occur when the issue is processed. For applications that are conditionally issued, this will occur when the delivery requirements are satisfied and the policy is put in force.