

Health Insurance Underwriting Manual (Sample – Demo Use Only)

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Disclaimer:

This document contains synthetic, illustrative underwriting rules for demonstration purposes only.

It does not represent real insurer policy or regulatory guidance.

1. Purpose

Defines standardized business rules used to evaluate health-related risk factors and determine insurance premium adjustments during underwriting.

2. Risk Scoring Framework

All applicants are evaluated using a Risk Delta Score (RDS) ranging from -10 (very low risk) to +10 (very high risk).

3. Premium Adjustment Rules

- RDS \leq -10 \rightarrow -10% premium
- RDS -9 to -5 \rightarrow -5% premium
- RDS -4 to +4 \rightarrow 0% premium
- RDS +5 to +9 \rightarrow +10% premium
- RDS +10 to +14 \rightarrow +25% premium
- RDS \geq +15 \rightarrow +40% or referral for review

4. Category-Specific Rules

Cardiovascular Health

- Resting HR < 60 bpm \rightarrow -2
- Resting HR 60–80 bpm \rightarrow 0
- Resting HR > 90 bpm \rightarrow +3
- Controlled hypertension \rightarrow +2
- Uncontrolled hypertension \rightarrow +5

BMI

- Normal (18.5–24.9) → 0
- Overweight (25–29.9) → +2
- Obese (30–34.9) → +5
- Obese (≥ 35) → +8

Physical Activity

- ≥ 150 min/week → -2
- 75–149 min → 0
- < 75 min → +2

Smoking

- Former smoker >5 yrs → +1
- Former smoker <5 yrs → +3
- Current smoker → +7

5. Allergies

- Severe allergy with anaphylaxis → Referral required
- Controlled severe allergy → +2

6. Fairness & Compliance

The following must never be used in underwriting decisions:

- Race, ethnicity, religion, nationality, gender identity, marital status

7. Decision Requirements

Each decision must include risk category, RDS, premium adjustment, triggered rules, and explanation.

AI Usage Notice

This document may be used as a grounding knowledge source for AI-based underwriting systems.