

Redating a Policy

Overview

This article provides the guidelines and procedures for redating a policy.

Procedures

Guidelines

We can now process real-time CI and BI changes. This procedure should be used to change the redate indicator and the acceptance date as needed.

Scenarios when using the CI3 Screen to process your changes in real-time will SAVE TIME AND PAIN

1. Premium finance cases fail to pay (and remove the policy from VTG entirely) when the Collateral Assignee Owner Code is A, and the Redate indicator is Y.
Change Redate to N and post payment on the same day.
2. Late initial payments fail and bomb to suspense if acceptance date is prior to the date the money is applied to the policy.
Change the acceptance date and post payment on the same day.
3. You can also change MEC designation and TEFRA guidelines and post payments on the same day.

Special Instructions

- Anytime you're applying premium of \$1mil or more, use extra care. Please check for acceptance date, MEC status and confirm that if Owner Code is A, the Redate Indicator is N. These habits will ensure that there will be no issues posting the payment in the overnight batch. If you have any questions, connect with an expert for review.
- If an email titled "Change Redate to N – Premium Finance Case" arrives in lifebilling@nationallife.com mailbox, change Redate to N. (Ensure to backdate that change IF it's the same day money has arrived.)

Cases that cannot be Auto Re-dated or Advance Dated

- The policy is backdated to save age.
- The policy is group or pension business.
- The policy is a Premium Finance Case.
- The policy is the result of a Term Conversion.

- If we are receiving a 1035 exchange.
- Variable life policy (starts with NL5 or NL9).
- Trad life policy.
- Annuity policy.

Warning: Always check the date of birth to see if the auto redate will be successful. If the auto redate would cause an age change, the redate will fail, and you will have to go back and schedule the necessary catch-up payments. Refer to [Nearest Age Chart](#).

Note: A real-time change can only be completed if there are no other changes pending. If other changes are already pending, refer to [Same Date Redate.pdf](#) to back-date the CI change instead. That way, both the change and the payment can still be completed on the same day.

Using effective date on the CI3 screen to apply payments on the same-day as other changes.

See attached screen shots for visual on how to use the back-date feature and read-on for details to see scenarios where you can apply the skill.

Additional background Re: Premium Finance cases

A working group of New Business, Contract Change, Rewrites, Transfers, and Pmt Ctr assessed the causes of Premium Finance case failure in Vantage. Although it occurs only few times a year, it caused a lot of pain for field leaders who expected to see these large cases hit sales reports and instead would have delays for days.

- New Business is processing Premium Finance cases a little differently:
 - First, they're communicating with the agent that if a case is issued without money, or with partial money present, we cannot redate upon receipt of full funds. The effective date will not change.
 - Second, they're changing their processing. If their screens show the Redate indicator = Y, they are making sure that it always says N for Premium Finance cases. (However because this relies upon human entries, we have a backup plan).
- Payment Center is taking the following steps:
 - The report queries on Owner code = A, Redate = Y. If none are present, nothing is sent. If any are there, an email is sent to lifebilling@nationallife.com for correction before money arrives.
 - the title of the email is "Change Redate to N - Premium Finance Case" Hope this makes it very clear for folks!
 - There is an Alteryx report that runs daily in the background. It will flag any cases at risk for failure before the initial payment arrives.
 - If for any reason pmt ctr has to make a change, they now know about the CI3 back-date screen and so can make changes same-day, as needed.
- Multiple teams are taking steps to prevent failed payments:
- Key staff to consult if any questions: Page LeBlanc, Katy Bickford, Kaitlyn Lary, Kathy Laughlin, Annie Crawford

Procedure: Auto Re-dating

This procedure explains how and when you can auto redate a policy. It assumes you understand the basics of setting DIPs. See [Setting DIPs](#) if you need help doing so.

Step 1: Determining if a policy can be auto redated

1. Review the Vantage screen, determine if the policy was issued on a certain month to save age.
 - o All policies except Foundation and Provider change age six months and one day after the date of issue.
 - o Foundation and Provider change age on the anniversary
2. If the age will be unaffected by changing the issue date of the policy, proceed to step two.
3. If EFT was selected and a draft date was chosen the policy will be advanced dated to the elected draft date.
4. If a policy is not on EFT and is issued without money, the effective date of the policy will change to the date the initial premium is applied to the policy.

Step 2: update redate indication

1. Pull up the policy in vantage.

```
COMMAND
CO NL POLICY NUM NL [REDACTED] STAT W TYPE L PLAN NL FLEXLIFE II DATE 05/10/2018
EFFDT 04/20/2018 ISSUE AGE 38 PEN IND NON LOB NDX LOAN DIS N RTG RSTR
AGENCY 3SR AGENT 0531E SERV AGENT ONE LAST FIN EFF DT
GRP/TRUST LAST NON-FIN DT 04/20/2018
INS NAME: [REDACTED] SEX M
LAW SOC SEC [REDACTED] DOB 05/21/1980 ISS ST [REDACTED] RES ST [REDACTED] ATND AGE 038
OWN NAME: [REDACTED]
(CORP)
ADDR-1 1761 [REDACTED] OWNCD 0 ORIG FACE 150,000.00
ADDR-2 SOC SEC/TAX ID [REDACTED]
CITY [REDACTED] ST [REDACTED] ZIP [REDACTED] CNTRY US
FACE AMT 150,000.00 DD FREQ 01 LD OPT I PREM CL N REINS MED N
ADB N APB N CCR N UR N OIR N EB N MODAL PRM 2,760.00
GIO N DB2 A EDB N DI2 N COL N NXT PYMT DUE DT 04/20/2019
PW N ABR A EPR N DI5 N OPR A ACR N LST PREM: DT
SPR N PSO N LTC N CTR N LIB 3 CCP N SAR A AMT
MMP 66.91 MGP 88.66 NXT RISK PURCH DT 04/20/2018
CTP 1,779.00 N 7PP 5,481.00 NXT BILL EXT DT 03/20/2019
GDLN LEV 2,107.34 GPT MEC N SP ETI N ANN COMM IND
GDLN SGL 25,135.89 FUT N PEN SP RPU N PDA I BSB% N TTC 0.00
GRS PYMT ILLUM CR OPT COMM IND 1
S/A IS IAN A REID POL NOT ON EFT
NXT TRX SUPR VER PROD U1 CL/POL NL [REDACTED] SEC ID CO NL OVRD N
```

2. Check that the clients age will not change.

In the above example, the client will turn 38 on May 21, so their age will not change until November 17.

In this particular case, the client has requested the initial premium be drafted on May 18.

Policy/Contract Number: <u>NL 00</u>		Insured/Annuitant: (Full name) <u>[REDACTED]</u>		Agency: <u>Procter Higgins</u>		Effective/Start Date: <u>4-20-18</u>	
Payment Type	Frequency	Amount	Draft Date (1-31) (If no date is selected we will align with the policy effective date)				
<input checked="" type="checkbox"/> Initial Premium (this is a one-time payment only if no previous payments have been made)	<input checked="" type="checkbox"/> Monthly (default if nothing is selected) <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annually <input type="checkbox"/> Annually	\$ 230	5-18-18				
<input checked="" type="checkbox"/> Recurring Premium Note: For Whole Life or Term policies drafts must align with the policy anniversary. Therefore monthly deductions may take place for a short period.	<input type="checkbox"/> Monthly (default if nothing is selected) <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annually <input checked="" type="checkbox"/> Annually	\$ 260					

3. Go to the CI3 screen and make sure the redate indicator is Y and the acceptance date is beyond the initial draft date.

- o Acceptance date is indicated after the "Placement Period EXP Date."
- o Redate indicator on the below example is already Y, which is what you are looking for.

LAST STATUS CHANGE DATE	04/20/2018	LAST PREM EFFECTIVE DATE	
INITIAL PREM TRX DATE		PLACEMENT PERIOD EXP DATE	06/04/2018
INITIAL PREM EFFECTIVE DT		LOAN INT BILL DATE	
LAST PREM TRX DATE		NEXT COL INT CREDIT DATE	
ADDED TO FILE DATE	04/20/2018	NON CURRENT LIMIT DATE	04/20/2018
BILL/PAC EXTRACT DATE	03/20/2019	NEXT RISK PURCHASE DATE	04/20/2018
INITIAL BILL DATE		NEXT COLA DATE	
ADVANCE NOTIFY EFF DATE		ANNUAL STATEMENT DATE	04/20/2019
NEW SECONDARY ID		TMF COPY DATE	
ANNUAL STMT TRX EXTRACT CODE	E	SCHEDULED DELETION DATE	
REG+ROLL+DI	0.00	PART A PART B DATE	03/21/2018
PRODUCT IND	RELATED NUM	REDATE IND	Y

NXT TRX	CI3A	VER	PROD	U1	CL/POL	NL	[REDACTED]	SEC ID	CO	NL	OVRD	N
---------	------	-----	------	----	--------	----	------------	--------	----	----	------	---

4. Once you've determined the acceptance date and redate indicator are okay, proceed with processing the draft.
5. If you need to change the redate indicator to a y.
 - o Go to Ci1 screen.
 - o Hit f4 twice.
 - o Update the redate indicator from N to Y.
 - o Hit f4 twice

6. If you need to change the acceptance date after receiving a 5230 Statement of Health.
 - o Go to CI1 screen.
 - o Hit f4 twice.
 - o Update the “placement period exp date” to a date after the initial premium will be drafted.
 - o Hit f4 twice.

Procedure: Same-Day Redates

1. Goto Mainframe and access the CI1 screen and press F4.

CI1 - PRESS F4

```

COMMAND CHANGE
CO CD NL POL LS SEC ID PROD U1 PLAN 101619 LOB LDX STAT A
RSTR SPND PDF IND N CONTR S ANN DT 07/02/2022 LST FIN DT 12/14/2021 LN ID N
*** CONTRACT INFO (CI2) ***

GDLN SINGLE PREM 61,512.80 GDLN LEVEL PREM 4,610.76
GDLN SINGLE PREM OVRD GDLN LEVEL PREM OVRD
TEFRA/LITA INDICATOR L SEC GDLN PREM
TEFRA GDLN ACCUM 1,967.64 SEC GDLN PREM OVRD
MOD ENDOWMENT CONTR IND N MOD ENDOWMENT CONTR DATE
SOCIAL SECURITY VERIFY IND N 7 PAY PREM ADJUST +
WITHHOLDING INDICATOR N BASIC STRATEGY MIN DEC 885.37
TAX PENALTY INDICATOR N 10/20/1988 AMOUNT
TAMRA TESTING INDICATOR S DEATH BENEFIT LIMIT
REJECT PREMIUM INDICATOR Y COST BASIS RELIABILITY IND
LIFE REINSURANCE INDICATOR N COST BASIS IN 1,967.64
MEC TRANSACTION EFF DATE COST BASIS OUT
MEC TRANSACTION FILE CODE COST BASIS AMOUNT 1,967.64
NL CREDITING OPTION UNEMPLOYMENT RIDER IND 99/99/9999 N
PSO IND N PSO TERM DT OVERLOAN PROT RIDER IND 07/02/2021 A
CCR IND N CCR START DT
EDB IND N EDB TARGET AGE KEEP MINIMUM IF ACCEL

NXT TRX CI3 VER PROD U1 CL/POL LS SEC ID CO NL OVRD N
  
```

2. Review the screen to confirm Same-Date Redate can be processed.

3. Enter CI3 in the NXT TRX field, policy number in the CL/POL field, then press F8.

```

COMMAND CHANGE
CO CD NL POL LS SEC ID PROD U1 PLAN 101619 LOB LDX STAT A
RSTR SPND PDF IND N CONTR S ANN DT 07/02/2022 LST FIN DT 12/14/2021 LN ID N
*** CONTRACT INFO (CI2) ***

GDLN SINGLE PREM 61,512.80 GDLN LEVEL PREM 4,610.76
GDLN SINGLE PREM OVRD
TEFRA/LITA INDICATOR L SEC GDLN PREM
TEFRA GDLN ACCUM 1,967.64 SEC GDLN PREM OVRD
MOD ENDOWMENT CONTR IND N MOD ENDOWMENT CONTR DATE
SOCIAL SECURITY VERIFY IND N 7 PAY PREM ADJUST +
WITHHOLDING INDICATOR N BASIC STRATEGY MIN DEC 885.37
TAX PENALTY INDICATOR N 10/20/1988 AMOUNT
TAMRA TESTING INDICATOR S DEATH BENEFIT LIMIT
REJECT PREMIUM INDICATOR Y COST BASIS RELIABILITY IND
LIFE REINSURANCE INDICATOR N COST BASIS IN 1,967.64
MEC TRANSACTION EFF DATE COST BASIS OUT
MEC TRANSACTION FILE CODE COST BASIS AMOUNT 1,967.64
NL CREDITING OPTION UNEMPLOYMENT RIDER IND 99/99/9999 N
PSO IND N PSO TERM DT OVERLOAN PROT RIDER IND 07/02/2021 A
CCR IND N CCR START DT
EDB IND N EDB TARGET AGE KEEP MINIMUM IF ACCEL

NXT TRX CI3 VER PROD U1 CL/POL LS SEC ID CO NL OVRD N

```

4. Set Redate Indicator (REDATE IND) to N and press F8.

```

COMMAND CHANGE
CO CD NL POL LS SEC ID PROD U1 PLAN 101619 LOB LDX STAT A
RSTR SPND PDF IND N CONTR S ANN DT 07/02/2022 LST FIN DT 12/14/2021 LN ID N
*** CONTRACT INFO (CI3) ***

ISS ST TX CNTY RES ST TX POLICY EFFECTIVE DATE 07/02/2021
STATUTORY COMPANY CODE LS LAST FINANCIAL PROCESS DATE 12/14/2021
POLICY ISSUE DATE 06/29/2021 LAST TYPE CHANGE DATE
LAST NON-FINANCIAL DATE 06/29/2021 LAPSE GRACE END DATE
MATURITY DATE 07/02/2078 LAPSE PENDING INIT DATE
LAST STATUS CHANGE DATE 07/02/2021 LAST PREM EFFECTIVE DATE 12/02/2021
INITIAL PREM TRX DATE 07/02/2021 PLACEMENT PERIOD EXP DATE 09/18/2021
INITIAL PREM EFFECTIVE DT 07/02/2021 LOAN INT BILL DATE
LAST PREM TRX DATE 09/02/2021 NEXT COL INT CREDIT DATE
ADDED TO FILE DATE 06/29/2021 NON CURRENT LIMIT DATE 06/29/2021
BILL/PAC EXTRACT DATE 01/02/2022 NEXT RISK PURCHASE DATE 01/02/2022
INITIAL BILL DATE NEXT COLA DATE
ADVANCE NOTIFY EFF DATE ANNUAL STATEMENT DATE 07/02/2022
NEW SECONDARY ID TMF COPY DATE
ANNUAL STMT TRX EXTRACT CODE E SCHEDULED DELETION DATE
REG+ROLL+DI 1,967.64 PART A PART B DATE 06/20/2021
PRODUCT IND RELATED NUM REDATE IND N

NXT TRX CI3A VER PROD U1 CL/POL LS SEC ID CO NL OVRD N

```

5. Enter Effective Date (TRANS EFF DT) and press F8.

```

COMMAND CHANGE
CO CD NL POL LS SEC ID PROD U1 PLAN 101619 LOB LDX STAT A
RSTR SPND PDF IND N CONTR S ANN DT 07/02/2022 LST FIN DT 12/14/2021 LN ID N
*** CONTRACT INFO (CI3A) ***
CVAT DOL N ORIG LAPSE PEND DATE 99/99/9999
LIBR EARLIEST START DATE 07/02/2031 RATE EFFECTIVE DATE 06/20/2021
SAR NEW MONEY 0.00 SAR MIN DEPOSIT 3,000.00
SAR STATUS I PAID UP START DT
ICSR Y BSM D DEC BSM START DATE 07/02/2021
ABR GENERATIONS: TERMINAL 01 CHRONIC 02 CRIT ILL 03 CRIT INJ 03
GPR N WSC-UR N GPR LETTER DATE 99/99/9999 CMG A
CURRENT LOAN TYPE: 2 MIN LOAN AMT 500.00
LOAN TYPES: INTEREST RATES: LIBR INITIAL EXERCISE DATE 99/99/9999
STANDARD (1) Y 4.00 ACCUM BONUS AMT 0.00
VARIABLE (2) Y 4.00 BONUS METHOD 07 AVER NM
FIXED (3) Y 5.00
SWITCH DATE 99/99/9999 NEW LOAN TYPE

```

Enter Effective Date

TRANS EFF DT 12012021

ORIG CODE BBW

NXT TRX CI4 VER PROD U1 CL/POL LS SEC ID CO NL OVRD N

Advance Dating

If EFT was selected and a draft date was chosen the policy will be advanced dated to the elected draft date.

If a policy is not on EFT and is issued without money the effective date of the policy will change to the date the initial premium is applied to the policy.

Exceptions Cases that cannot be Advance Dated or Auto Re-dated

- If we are receiving a 1035 exchange
- The policy is a TRAD life policy
- The policy is a variable life product.
- It is an Annuity contract.
- The policy is backdated to save age.
- The policy is for pension business.
- The policy is part of a Group bill.

Related Resources

- [Processing Real-Time BI and CI Changes](#)

Article Details

Last Reviewed	05/28/2024	Intended Audience	Life Inbound
Reviewed by	Jessica Veliko	Business Block	Payment Center

PUBLISHED

Table of Contents
<ul style="list-style-type: none">• 1 Overview• 2 Procedures• 3 Related Resources• 4 Article Details