**LIFE INSURANCE UNDERWRITING EXPLAINED**

**Meta description**: Underwriting is the necessary process meant for risk evaluation for a policy.

**Keywords**: the process of underwriting life insurance.

**What do you need to need to know about underwriting?**

Insurance underwriting is simply the process where the evaluation of risk about a policy is carried out.

Underwriters are individuals who are responsible for calculating the situation's likelihood of insurance. They evaluate factors such as the cost of premiums to make it viable for both the insurer and you, the customer.

There is a simple way to know if you need your life insurance to be underwritten by the organization.

Most people do not require an underwriting from the insurer as they are in agreement with the generic terms provided by them.

But not all people are the same, neither are policies. Insurance organizations provide flexible, personal choices for those that require extra coverage from their life insurance policies - if you are one of them, then you will have to request an underwriter for the policy..

For how much time does it take for the underwriting process to be completed?

* Underwriting is a swift process.
* The decision of the underwriter typically goes the following four ways.
  1. No difference:

The information does not in any way affect the terms of the standard policy. There are no changes that go into your decision regarding your life insurance policy.

* 1. Increase in premiums:

The information gathered in the process of underwriting might identify an increase in risk for the insurer.

This leads to a change in the overall premium offered as a full cover.

* 1. An exception:

The premiums do change, but death due to accidents under exclusions such as hang gliding, are not covered.

* 1. Rejection:

The information gained by underwriting is enough for the insurer to be unwilling to cover for the customer.

**Why is underwriting so important?**

The primary element of fairness is enhanced with the help of underwriting. Underwriting works not only for life insurance but also for critical illness covers and income protection insurance.

The expertise of an underwriter is seriously helpful if you have a unique life circumstance.