



A CLOSER LOOK

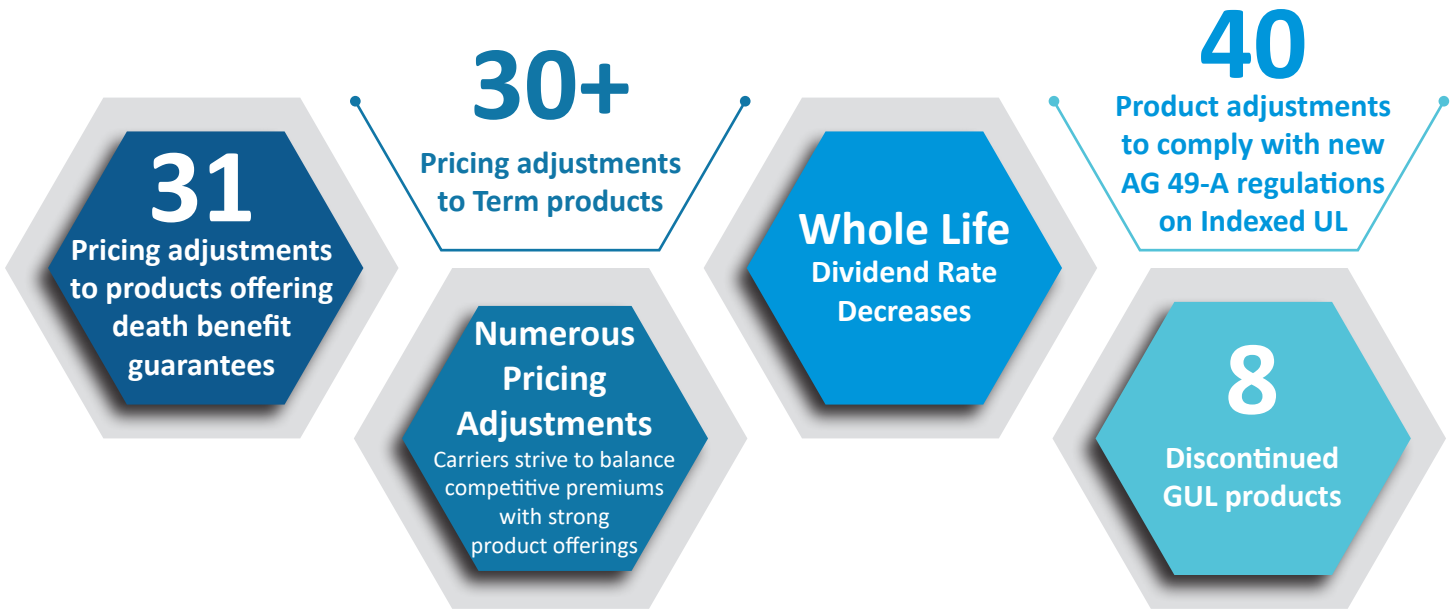
Life Insurance Product Landscape:

What changed in 2020 and a hint at what's to come

Most can agree that 2020 was an unprecedented year, bringing change to nearly all aspects of life. It was certainly felt by the DBS Case Design Team with more change than ever in the form of new products, reprices, illustrated rate changes, and regulation compliance. This was even after losing a number of products as carriers phased them out to comply with the PBR/2017 CSO mortality table deadlines at the end of 2019.

Persistent Low Interest Rate Environment: Though the focus early in the year was on the aftermath of PBR/CSO, we quickly shifted gears when interest rates dropped to 0.25% in March. After this announcement we saw pricing hikes to no lapse guaranteed products, and lower caps on indexed accounts.

COVID 19: The pandemic also hit in March, and we saw carriers make temporary (and sometimes permanent) changes such as enacting age restrictions, premium limitations, table limits and other changes.



AG 49-A: Life insurance carriers only had a few short months to comply with this deadline, and the responses were varied with some carriers making substantial changes to their products, while others were basically unchanged except for illustrative restrictions imposed by AG 49-A.

Section 7702: In addition, the industry is now reacting to the newly released changes to section 7702 of the tax code dealing with life insurance. Transition rules are not yet clear, but there will no doubt be more changes to come.

What does the future hold?

Your DBS Case Design Analysts are your product specialists, following carrier changes very closely. And, we still have access to the most competitive products available, so you can count on us to help guide you to the best solution for your clients.

Contact your dedicated Case Design Analyst today!



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