

Common Reasons You Could Be Denied Life Insurance



September is Life Insurance Awareness Month, and we want to make sure you have all the information you need to make the right decisions about life insurance for you and for your loved ones. We started the month by sharing [five things you might not have known about life insurance](#) – which is a great place to begin if you are new to life insurance – and are delving a little deeper into the intricacies of applications in this blog post.

While the process of applying for life insurance may seem easy (and it is!), there are a few things you should be aware of when it comes to life insurance denials. You could be denied a life insurance policy because ...

You have a health condition that increases the risk of mortality. To get the best rates, life insurance companies often ask you to undergo a medical examination as part of the application process. This exam may expose any number of health issues, from high blood pressure, blood sugar, or cholesterol to a history of alcoholism or cancer. Some of these conditions you may know about ahead of time; if you are undergoing treatment and your condition is managed, you are more likely — but not guaranteed — to be approved for a policy. If the exam reveals a previously undiagnosed condition, you will probably need to get it under control before reapplying.

- Some life insurance companies, Navy Mutual included, offer [life insurance policies](#) that do not require a medical exam. These are ideal for young, healthy individuals.

You work a dangerous job or have dangerous hobbies. Certain jobs and activities are just more dangerous than others. Someone who regularly jumps out of airplanes experiences more risk than an



office worker. Your employment and extracurriculars have a direct impact on your insurability. In some cases, life insurance companies may refuse to provide a policy to anyone they deem too risky.

- Navy Mutual serves those who serve. To that effect, Navy Mutual's [life insurance products](#) have no military service restrictions. There are no war, aviation, terrorism, or travel clauses for those on active duty.

You have a tarnished driving record. Each year, [over one million people](#) are killed in traffic accidents, and they are a leading cause of death for Americans between one and 54 years old. If you have a handful of speeding tickets or have been charged with a DUI, life insurance companies are going to consider you a riskier investment than someone who has a clean driving record. Depending on how extensive your record is, this could lead to you being denied a life insurance policy.

You lied on your application. When initially applying for life insurance, it pays to be as truthful as possible. If you lie on your application, for example wrongfully stating that you are a nonsmoker or have no diagnosed medical conditions, a life insurance company can simply choose to deny you coverage.

You have no insurable interest. If you want to take a life insurance policy out on a loved one, but there is no evidence that you will experience financial loss in the event of their passing, a life insurance company may deny your application. Life insurance exists to protect loved ones should the insured pass on, but if there is nothing that the loved ones need to be protected from financially (e.g., the insured paid none of the bills, did not owe any debts, and has enough assets to cover burial arrangements), there is no reason for the policy to exist.

You are too old. It is a fact of life that the older you get, the more likely you are to reach the end of your life and pass on. At some point, death becomes such a guarantee that life insurance companies will not create a new policy, often when the insured hits 85 years old. It is important to apply for a life insurance policy when you are young and healthy to get the best rates.

Still have questions? Navy Mutual is here to help. To schedule an appointment with a representative, [click here](#), or email us at counselor@navymutual.org.