

WHAT IS AN INSPECTION REPORT?

An inspection report is a third party verification of personal, financial, health, business and other information relevant to the underwriting of large insurance policies. The inspection requirements and the size and length of the report vary according to each individual carrier and usually take 10 to 20 minutes.

It is very important the information collected during the inspection report matches information collected in the insurance application. Discrepancies might be a cause of concern for underwriters.

PERSONAL QUESTIONS:

The inspection company will verify such information as the applicant's date of birth; social security number; driver's license number; home and business addresses, etc. Other questions would include any hazardous activities; student & private pilot; moving violations; tobacco, alcohol and drug use. The applicant will also be asked questions with regard to current insurance coverage and whether it will be replaced.

MEDICAL QUESTIONS:

The medical questions will vary due to the nature of the report and the requirements of the insurance company. These questions generally include the name and address of the personal physician; date last seen by physician; reason; treatment; and approximate height and weight. The applicant is also questioned with regard to any significant weight change; deformities, blindness, deafness, other impairments; history of high blood pressure, diabetes; cancer and/or heart trouble; any hospitalizations in the past five years and current medications.

BUSINESS INFORMATION:

Questions will include corporate name and address; how long employed; the nature of the business; how many employees; applicant's position and duties, including any foreign or domestic air travel connected with the applicant's position. Additional business information, including business financials, may be required for business cases involving key man and buy/sell insurance.

FINANCIAL INFORMATION:

Financial questions are asked of the applicant and these will vary in depth, due to the requirements of the insurance company and the size of the report. This can vary from two basic questions such as net worth and annual income to deeper questions requiring a break down of net worth into categories such as home value; real estate holdings; stocks/bonds; personal property; retirement accounts, etc. An annual income figure, both earned and unearned, are asked of the applicant. All financial information is used to justify need. Generally, applicants will also ask for a financial reference, usually an accountant or personal financial advisor, who can verify the information provided.