

Life Insurance Advice from Louis Letourneau.
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Are you paying more than a straight man for your life insurance just because you are gay? Do you actually need life assurance? Louis Letourneau looks at the "loading" of policies, and the pros and cons of insuring your life.

Life insurance is something most gay men don't think about until they're getting a mortgage. They're sitting with an adviser at their bank or building society, sorting out their loan, and then he or she suggests they apply for life insurance. It is almost certainly a mistake to do so.

Every week, I speak to guys who ring us because, having applied for cover with the company recommended by their mortgage lender, have been asked to undergo HIV tests and medical examinations and, having gone through all that, have been offered insurance at rates three times what a straight couple would pay.

Sometimes people are lulled into a false sense of security because the mortgage lender didn't 'discriminate' against them - mortgage lenders don't discriminate and are just as fond of the pink pound as any other kind. Or because the adviser was nice and knew they were gay and surely wouldn't recommend an unsuitable policy. But the adviser isn't a specialist and hasn't a clue about how insurance companies treat gay applicants. Or sometimes people think that all those problems about life insurance happened in the 80s - times have moved on since then, haven't they?

Well, no, they haven't. Gay men still find that they are routinely offered insurance at double or treble the price that straight men pay - for no other reason than that they are gay! Furthermore, once this happens, you can be entered on the Association of British Insurers' "Impaired Lives Register" - a computerised list available to insurance companies; this means that you can be effectively 'blacklisted' forever.

Because of this continuing discrimination, the single most important thing to remember, if you are thinking of applying for life insurance, is to go to a specialist broker who deals with gay clients every day. There are a number of us and we aren't hard to find - I bet there are three or four advertisements for suitable companies in this magazine. Naturally, I think that [Isis Financial Planners Limited](#) is the best (I would say that, wouldn't I?) but you do have a choice.

In most cases, an experienced broker can find you a life or critical illness- insurance policy on exactly the same terms as straight men would be offered. In many cases, we can do this without you having to answer any questions at all about your sexuality.

In other cases, where you have already undergone HIV testing and been offered cover at inflated, 'loaded' rates, it will be necessary to declare this on a subsequent application form, but we can apply to a company which will not automatically assume that simply being gay makes you a bad risk and which may insure you on normal terms.

But before you reach for the phone, think about whether you actually need life insurance. Mortgage advisers may try to push you into it because they make commission out of it, but most lenders do not insist on it nowadays - although the big banks still do.

If you are single and have no dependants, you do not need life insurance, although you may want to think about critical illness insurance, which would pay a lump sum if you were diagnosed with a serious condition; this could be used to pay off the mortgage in the event of serious ill health. An alternative is income protection, which would pay you a replacement income if you were unable to work, thus helping you to keep up monthly mortgage repayments. Either of these might be more appropriate than straightforward life insurance.

However, if you have a joint mortgage with a partner, life insurance is likely to be essential - could you afford to keep up repayments if your partner were to die? If you have a capital repayment mortgage, you can choose either a level term plan, where cover remains at the same level throughout the life of the policy, or a decreasing term policy, where the level of cover goes down over the years in line with the decreasing mortgage loan.

This is a good time to apply for life cover: rates are cheap and the [British Medical Association](#) and [Association of British Insurers](#) recently agreed new guidelines on the information that doctors should supply to insurance companies if asked to complete a medical report.

Doctors will not have to disclose single or even multiple incidents of STIs, provided that there are no long-term health implications. Furthermore, insurance companies should not ask, and doctors should not disclose, whether an applicant has tested for HIV or Hep B or C. Insurers can only ask if a person has tested positive, is awaiting a test result or is receiving treatment for HIV Aids or Hep B or C. It's a move in the right direction.

Currently, if someone is in good health, insurers will only ask for a doctor's report if the amount of cover being sought is high. But there is bad news from the States: because testing there (for HIV and other conditions) is so cheap, insurers are routinely requesting medical examinations for cover as low as \$50,000.

As we usually follow where the US leads, this might be a good time for anyone who feels that they may ever want life cover to look for it.

Louis Letourneau is a Director of Isis Financial Planners Limited. Isis offers independent specialist advice to the gay community and can be contacted on 0845 1300 778 and email postbox@gayfinance.info . You can also visit the new website at www.gayfinance.info

Louis Letourneau, MA is an experienced independent financial adviser (IFA), specialist in financial planning and wealth management. He founded Rainbow Finance in 1995 and has consistently challenged financial companies and Government on their attitudes to gays, lesbians and same sex couples and was instrumental in the Inland Revenue to changing its guidance notes to recognise unmarried couples in pension benefits. His work has also resulted in life insurance companies starting to relax the discriminatory underwriting criteria toward gay men and people living with HIV. He was a founder of the Rainbow Research Project which surveys and educates private pension schemes in how they recognise unmarried couples on death benefits. He was also a founder member of the Stonewall Immigration Group (which campaigned for Immigration rights for same-sex couples, achieving a significant victory in April 1997) and helped set up the gaypartners.org initiative with gay.com in early 2001, campaigning for same-sex partnership rights. He speaks regularly on national and local radio.

For further advice on **Pensions, Life Assurance, Investments and Tax** contact Isis Financial Planners:

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