

Prudential Announces Major Update to Product Portfolio

Major changes are on the horizon for the Prudential product line including price actions, premium limits, cap changes and more, with effective dates spread throughout April. Read on for the details available today, and keep an eye on your inbox for additional information later this week!

Find out more about these changes from Prudential...

- [Formal Product Announcement from Prudential](#)
- [Operations Update from Prudential](#)

From Prudential...

Prudential Individual Life Insurance continues to help customers with their life insurance needs in this challenging time of interest rate changes and market volatility. To do that, we take a prudent financial approach by continuously reevaluating our product portfolio and have made some adjustments to our offerings. More specifically:



- We're reducing caps and credited rates for IUL products. We strive to balance financial discipline and impacts to the index accounts and the upside they can offer. However, significant changes in interest rates and market volatility caused IUL index parameters to be adjusted. The new spreads and caps for impacted index accounts will be effective for index segments beginning April 15.
- We're restricting single pays on Universal Life products. As a result of significant decreases to current interest rates, we will restrict single and short pay sales on all UL products, excluding VUL, effective April 13.
- We're suspending sales of 30-year Term products until June. There will be a temporary suspension of Term Essential / Elite 30-Year Reprice Term Essential and Term Elite, effective April 13. Our goal is to reprice and reintroduce Term30 sales in June.
- We're revising the large case review thresholds for UL Protector, SUL protector and SIUL. Effective April 13, they will be the same thresholds already in place for IAUL, Founders Plus, and Essential UL, which is at least \$1M of total premium in any policy year. All other products (mainly VUL) would stay the same at \$5M in year one and \$1M in other years.
- We're increasing pricing on UL Protector. To restore and maintain profitability, we will increase pricing on UL Protector, effective April 27. The new rates will result in an average increase of 8 to 12% in all states (except New York) depending on age, underwriting class, and premium funding patterns.

Although, the current landscape is fluid, we are confident these actions put us in a much better position to withstand the low interest rate environment.

Additional information including transition rules will be shared on April 3, 2020.

Operations Update

Prudential has also announced significant adjustments to the new business and underwriting processes in response to COVID-19. Please review the details in the [COVID-19 Service Update](#) in addition to the following highlights:

- To ensure as many cases as possible qualify for PruFast Track, Prudential will be taking on the responsibility for ordering medical requirements on all cases.
- Prudential will be expanding use of electronic medical records (Human API) along with other methods to drive fast decisions with minimal requirements.
- Prudential will shift to issuing the majority of policies in an electronic method. This includes eDelivery when possible and eIssue when necessary, including the possible use of DocuSign or other methods.

Again, please see the [COVID-19 Service Update](#) from Prudential for additional details.



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