

SARS-CoV-2/COVID-19 Update: March 20, 2020

Executive Summary

At RGA we continue to closely monitor the situation with regard to the outbreak of the COVID-19 virus, leveraging both internal specialty resources from medical and pandemic teams, as well as external experts in the field.

On March 11, 2020 the ongoing spread of COVID-19 was declared a pandemic by the World Health Organisation (WHO).

As of March 19, 2020, there are cases in 168 countries, with the majority of new cases currently arising in the European region; and on March 16, 2020 the number of cases in the rest of the world surpassed the total experienced in China.

Many countries are imposing strong measures to contain the virus, but even these are struggling to restrict the spread. Thus, there is now more focus on implementing interventions to mitigate the impact of the pandemic.

These guidelines are subject to change according to the understanding and impact of the COVID-19 virus. As such, updates will be provided as necessary. However, as always, we welcome dialogue and feedback on the issue.

RGA's Recommended Underwriting Response

- It is important that all underwriters use extra vigilance when assessing any case, but particularly in the instances outlined below:
 - Individuals aged 65 and older, particularly those with any underlying co-morbid conditions, for example diabetes, cardiovascular disease, cancer, chronic respiratory disorders, or who are immunosuppressed for any reason.
 - Any individual with serious co-morbid conditions (as listed above), regardless of age.
 - Health care workers involved in providing care in facilities where there is likely to be a higher exposure to the COVID-19 virus.
 - All **'out of country'** travel – regardless of destination – should be postponed for a period of 14 days following return to their home country.
 - **'In country'** travel for those countries where restrictions exist over specific cities and/or regions.
 - A questionnaire has been developed to assist in the identification of individuals who may be at the highest risk.
 - This can be used in the instances outlined above, however, we particularly recommend that this is utilised for high sums assured, for example, at the level where financial evidence would be requested.
- Those who have been diagnosed with COVID-19, should be postponed until at least one month after their recovery, at which time cover can be individually considered. Please refer to RGA on these cases.

- We recommend close monitoring of any growth in:
 - Online sales or other channels without the need to see an intermediary and suggest the restriction of such sales where it is not necessary for the applicant to be physically present in your country at the time of completing the application.
 - Product types that are more vulnerable to anti-selection during periods of economic downturn.
- We would like to remind the need for all applicants to be aware of their duty of disclosure up to the point of policy issue that includes visits to doctors, medical centers and hospital as well as signs or symptoms of ill health that require medical consultation or treatment.
- If your standard application form is insufficient with regard to COVID-19, RGA can provide technical support to any clients who wish to obtain additional information and/or declarations in connection with the virus.
- **Please contact your local RGA representative with any specific questions you may have.**

What we do know

- The virus moved from animals to humans in November or December 2019.
- It is the same class of virus as SARS and MERS.
- It 'acts' like a human influenza virus, with significant 'person-to-person' transmission.
- The incubation period is 2-14 days.
- Transmission can take place during the asymptomatic phase.
- Surgical masks provide minimal protection.
- 80% of those affected will experience a mild disease.
- Data shows the more serious complications, including risk of death, are higher in elderly or in those with pre-existing conditions such as chronic respiratory disease, cardiovascular disease or diabetes, as well as in immunocompromised individuals.
- The overall case fatality ratio (CFR) is still not clear, but could range from approximately <1% to 3%, but is definitely higher in older individuals and in those with co-morbid conditions.
- The basic reproduction number (Ro) may be greater than 2, meaning that, on average, every infected individual will infect 2+ others.
- There is no specific treatment for the virus and it will be some months before an effective vaccine becomes available.

What is not known

- Is there permanent lung damage following moderate-to-severe illness from the virus?
- Will there be a second wave of the virus later in the year?
- Will this virus continue to circulate and become an annual or seasonal event?
- What degree of immunity do those who have recovered have to future reinfection?

What are potentially favorable factors?

- Diagnostic testing is available with ever-increasing capacity.
- The genetic sequence of the virus was published by Chinese scientists on January 12, 2020 and is being used by other scientists around the world to learn more about the virus with regard to the development of treatments and a vaccine.
- Australian scientists have been able to recreate the virus in a laboratory setting, and this may help further speed the development of both treatments and a vaccine.

Further information

- On March 19, 2020 the US State Department issued a Level 4 Health Advisory – Do Not Travel; which means that US Citizens are advised to avoid all international travel. For further information, please refer to the [State Department website](#).
- On March 12, 2020 the World Health Organization declared the outbreak of the COVID-19 virus a pandemic. Importantly this does not affect either the actions of WHO, or individual countries who are dealing with outbreaks. For further information, please refer to the [WHO website](#)
- There is continued uncertainty in financial markets and central banks have made significant interest rate cuts to try and stabilise the situation.

References

1. <https://emergency.cdc.gov/han/2020/han00429.asp> (Accessed March 19, 2020)
2. <http://www.cidrap.umn.edu/> (Accessed March 19, 2020)
3. <https://www.who.int> (Accessed March 19, 2020)
4. <https://wwwnc.cdc.gov/travel/notices/> (Accessed March 19, 2020)
5. <https://www.who.int/emergencies/diseases/novel-coronavirus-2019> (Accessed March 19, 2020)
6. <https://news.un.org/en/story/2020/02/1058141> (Accessed March 19, 2020)
7. <https://www.nih.gov/news-events/news-releases/nih-clinical-trial-remdesivir-treat-covid-19-begins> (Accessed March 19, 2020)
8. <https://www.bbc.co.uk/news/world-australia-51289897> (Accessed March 19, 2020)