

Select 74 Cancer claims

25th February 2010

Peter Barrett

Head of Claims – International Division

RG A UK Services

Cancer claims

- **Background on the claims process**
- **Claims split by duration?**
 - CI & Death Claims
- **Where do the claims come from?**
 - Distribution by type & sex
- **What do YOU need to know about claims assessment?**
- **Problem areas for claims**

Early claim - Happy to pay?

Policy

- £150k – 20 years
- Life & CI
- Male - 44nb
- Area sales manager
- Disclosed – recent op for haemorrhoids – given all clear
- No GPR
- Accepted std rates

Questions include

- Do you expect, or have you been advised, to seek medical opinion in the next 12 months?
- In the last 5 years have you attended any other medical appointment or test you haven't yet told us about?



Early claim - Happy to pay?

CI Claim

- **Bowel cancer**
 - Dukes B – T3 N0 M0
- **1st symptoms – year prior to PSD**
- **Referred for 2nd sigmoidoscopy 3 months prior to proposal**
- **Specialist appt 1 month after PSD**

At claim stage becomes clear that

Exploratory op referred to at proposal included:

- **Barium enema**
- **Sigmoidoscopy**
- **Colonoscopy**

All in year prior to proposal

Happy to pay?

FOS concludes:

- **Proposer unaware of referral for second sigmoidoscopy immediately prior to proposal**
- **Proposer gave fair explanation of condition**
 - Space on proposal too small to allow greater detail
 - In proposer's mind haemorrhoids were major problem and they had been given all clear despite other investigations
- **Pay the claim**

CI – Cancer claims assessment

BACKGROUND:

- **I am a claims assessor**
 - Not a doctor or Oncologist
- **Reach decision based on the evidence presented and specialist input**
- **What we understand to be industry good practice**
- **Right decision, isn't always the technically correct decision**

Cancer – claims assessment

X

?



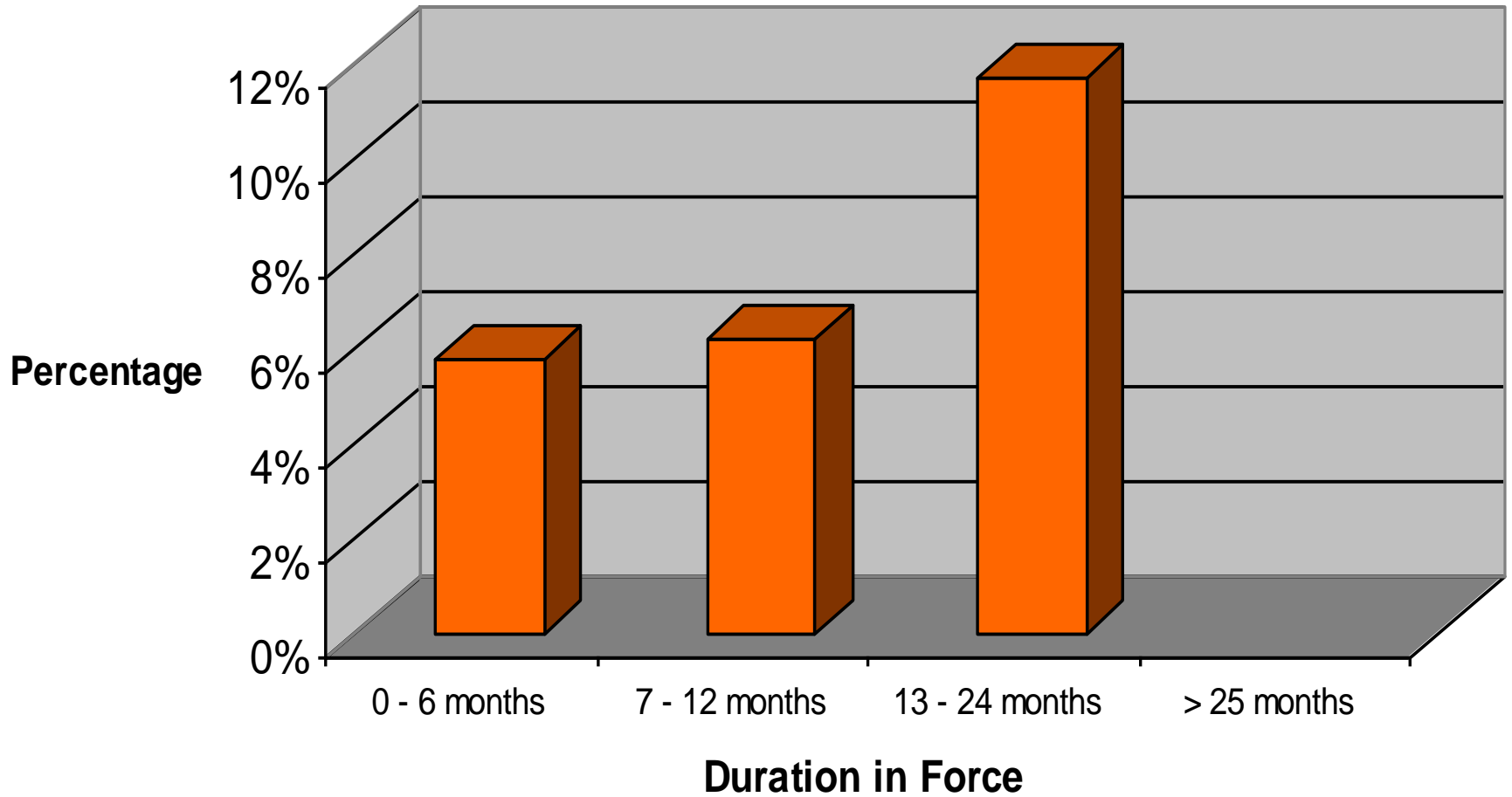
CI – Cancer claims assessment

BACKGROUND

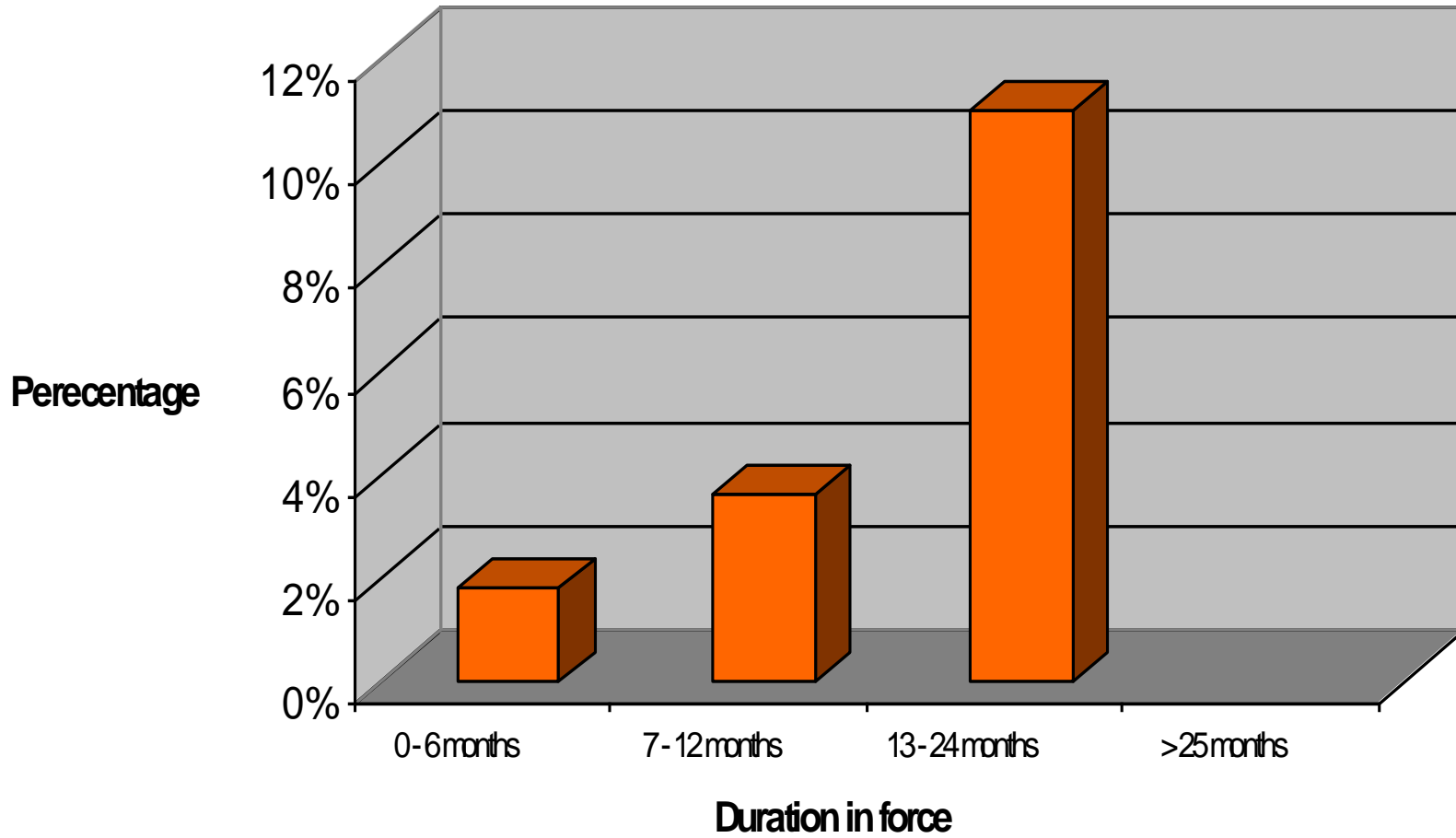
- **As hard as we try to define what is covered – there will never be complete clarity over what is in and what is out**
- **Make sure your actuaries appreciate that**
- **There is always grey it's not black, it's not white**
- **Words will never be totally comprehensive in defining what is covered and what isn't**

WHEN DO CANCER CLAIMS OCCUR IN THE LIFE OF A POLICY?

Distribution of CI Cancer claims 2005 - 2009



Distribution of Death claims 2005 - 2009



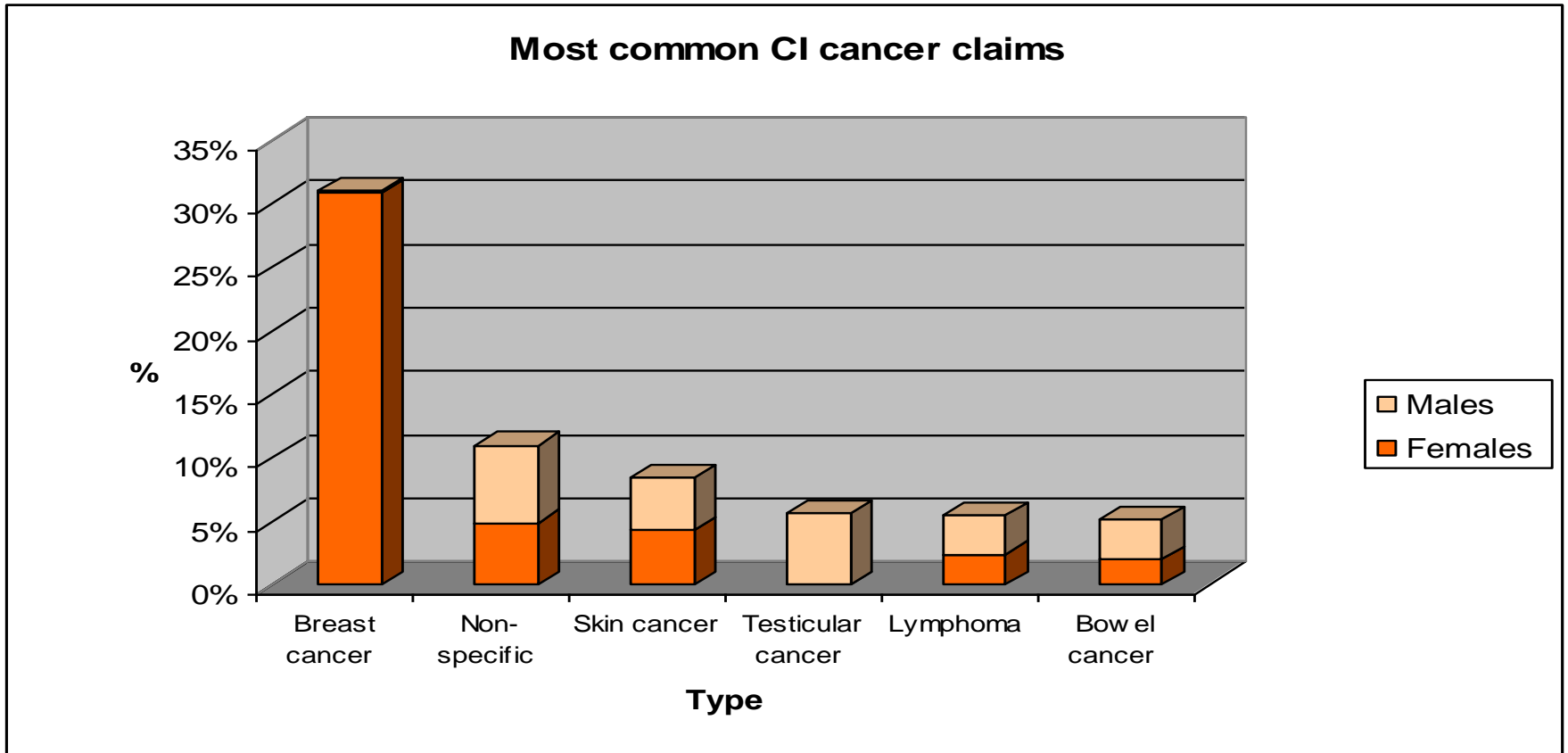
DISTRIBUTION BY TYPE & SEX

Cancer CI claims by type

61% of All CI Claims

- 1. Breast cancer – 31%**
- 2. Non – specific – 11%**
- 3. Skin (MM) cancer – 8.4%**
- 4. Testicular cancer – 5.6%**
- 5. Lymphoma – 5.5%**
- 6. Bowel cancer – 5.1%**

Cancer CI claims by type & sex



Cancer CI claims by type

Female (60%)

1. Breast – 51.9%
2. Non-specific – 8.1%
3. Skin (MM)– 7.3%
4. Cervical – 5.4%
5. Lymphoma – 4%
6. Ovarian – 3.5%

Male (40%)

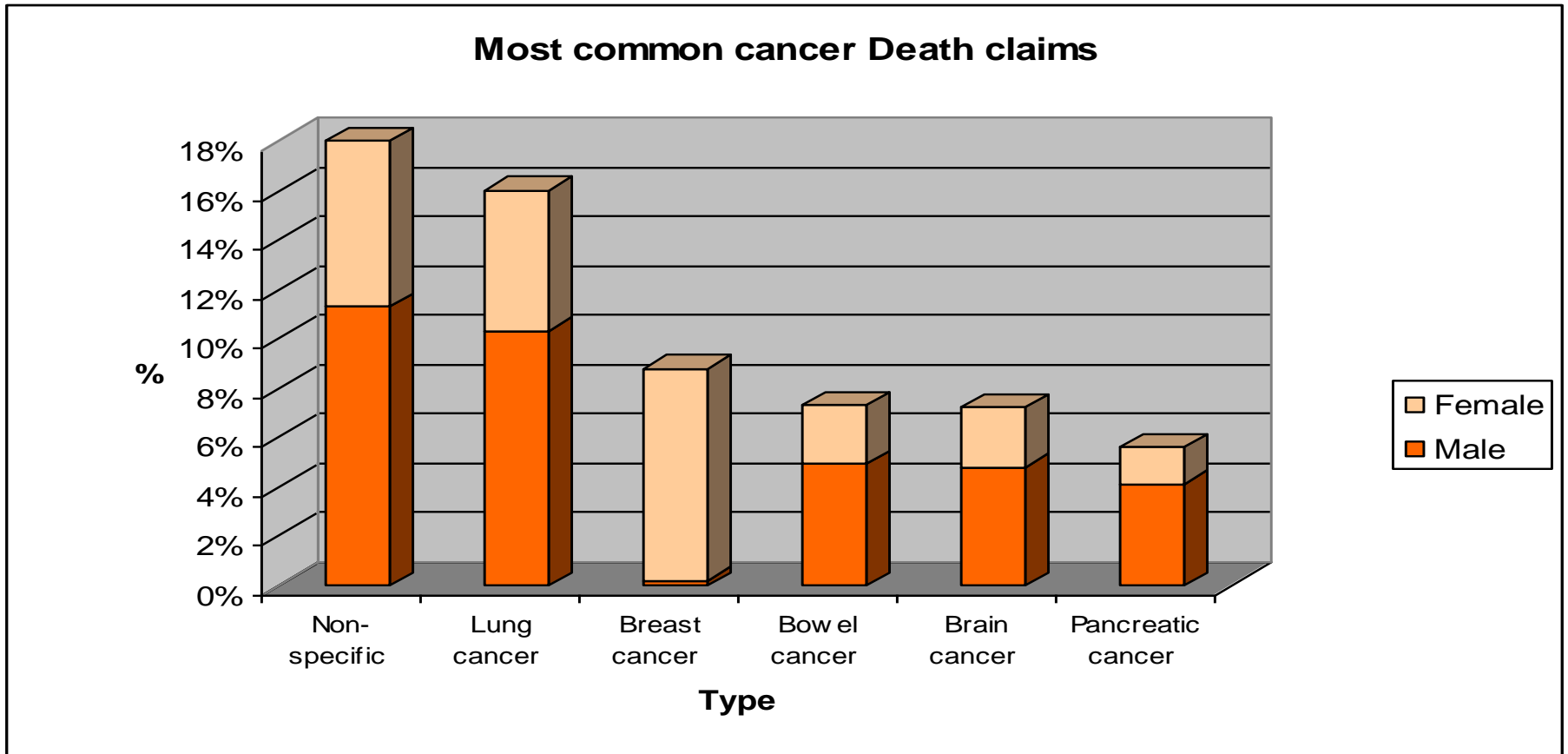
1. Non-specific – 14.7%
2. Testicular – 13.7%
3. Skin (MM)– 10%
4. Prostate – 8.7%
5. Bowel – 7.6%
6. Lymphoma – 7.6%

Cancer Death claims by type

29.6% of all death claims

- **Non-specific – 18%**
- **Lung cancer – 16%**
- **Breast cancer – 8.8%**
- **Bowel cancer – 7.3%**
- **Brain tumours – 7.2%**
- **Pancreatic cancer – 5.6%**

Cancer death claims by type & sex



Cancer Death claims by type

Female (41%)

- Breast cancer – 21%
- Non-specific – 17%
- Lung cancer – 14%
- Ovarian cancer – 7%
- Bowel cancer – 6%
- Brain – 6%

Male (59%)

- Non-specific – 19%
- Lung cancer - 17%
- Bowel cancer – 8%
- Brain - 8%
- Pancreatic cancer – 7%
- Oesophagus – 7%

Cancer claim distribution - summary

- **12% of cancer CI claims in 1st year**
- **5.4% of cancer death claims in 1st year**
- **Coding remains an issue for the industry**
- **Breast cancer most common CI**
- **Lung cancer most common death**

Cancer claims assessment

- **What do YOU need to know about the claims process?**
 - Impact of ABI code on TCF
 - Common problem areas
 - Proposal forms
- **A final example**

What do you need to know about the claims process?

ABI Code – Treating Customers Fairly

- 3.7 Accordingly, insurers should only ask for medical information beyond that needed to assess whether the insured event has occurred, or to case manage a disability claim, to the extent that the circumstances of the claim reasonably prompt the insurer to believe that there might have been non-disclosure by the customer. In particular, insurers should:
- 3.7.1 Keep an audit trail of the reasons for requesting medical records (the Financial Ombudsman Service, FOS, will be concerned at the use of medical evidence clearly obtained without an appropriate reason).
 - 3.7.2 Note that an early claim is not a reason by itself (although it may be a relevant supporting factor).
 - 3.7.3 Carefully consider the time period for which it is appropriate to request information and the relevant areas that should be investigated.

What do you need to know about the claims process?

- Evidence restrictions
- ABI compliance
- Justify our requests
- Don't think we can always check – because we can't!
- Lifestyle factors



What do you need to know about the claims process?

- We're getting less evidence
- Guess what – we're finding less non-disclosure!
- We're accepting more claims
- Less cases going to FOS
- Have we solved the non-disclosure problem, or just swept it under the carpet?



What do you need to know about the claims process?

- **Poorly worded questions**
 - Typically from older forms not mentioning moles or lumps
- **GP's can make mistakes**
 - Moles treated as benign when really malignant
 - What we're told on a GPR isn't always accurate
- **Always wait for the results of investigations**
 - Cancer not usually the expected outcome from what the proposer considers to be a routine investigation for something else
 - Proposers will put best foot forward re health at proposal
- **Proving knowledge of the cancer prior to proposal can be impossible**

What do proposal forms ask?

Do you have, or have you ever had;

- Cancer, leukaemia, Hodgkin's, lymphoma.....?

In the last 5 years have you had any of the following;

- A lump, growth, mole, freckle that has bled, become painful, changed colour or increased in size?

Few companies ask gender specific questions

Not all companies ask specifically if the proposer is awaiting a hospital appointment or the result of some test or investigation

Not all companies ask about symptoms for which the proposer has not yet consulted a doctor

Problem areas for claims

- **Ductal Carcinoma in situ**
- **Skin lymphomas**
- **ET & PRV / Myelodysplastic disorders**
- **Micro invasion**

Early claim – Happy to Pay?

Policy – Life & CI

- £62,500 sum assured
- 13 year term
- Female – 39nb
- Medical Secretary
- 26th May – proposed
- 3rd June – GPR
- 10th June – In force

Claim

- 13th June – sees GP with breast lump, noticed previous day
- Lump 42 x 41mm
- Urgent referral
- Nothing in claimant's medical history to suggest knew of lump earlier

Early claim – Happy to Pay?

- *Although a patient may have an abnormality for sometime she may only detect it by chance*
- *I frequently see patients who have just noticed a lump which prompts self referral and clinically the lump is of quite a significant size*
- *....a mass may be significantly larger than 3cm diameter before it is noticed*
- *In conclusion the tumour in this patient will have been present for some considerable time, however it is entirely possible she was unaware of its presence until she self examined....*

What do you need to do?

Ask about;

- **symptoms for which no doctor has been consulted yet**
- **Any recent tests or investigations or any that are pending**
- **Any test results that are awaited**

Remember;

- **Proposer's rarely tell you the whole story**
- **The FOS impact**

Questions ?

Contact Peter Barrett
Head of International Claims – RGA
+44 207 710 6744

pbarrett@rgare.com