

Insurers shun those taking certain meds and secretly keep blacklist

March 30 2009, By John Dorschner

Trying to buy health insurance on your own and have gallstones? You'll automatically be denied coverage. Rheumatoid arthritis? Automatic denial. Severe acne? Probably denied. Do you take Metformin, a popular drug for diabetes? Denied. Use the anti-clotting drug Plavix or Seroquel, prescribed for anti-psychotic or sleep problems? Forget about it.

This confidential information on some insurers' practices is available on the Web -- if you know where to look.

What's more, you can discover that if you lie to an insurer about your medical history and drug use, you will be rejected because data-mining companies sell information to insurers about your health, including detailed usage of [prescription drugs](#).

These issues are moving to the forefront as the Obama administration and Congress gear up for discussions about how to reform the [healthcare system](#) so that Americans won't be rejected for insurance.

It's especially timely because growing numbers are looking for individual [health insurance](#) after losing their jobs. On top of that, small businesses are frequently finding health policies too expensive and are dropping coverage, sending even more people shopping for insurance.

The problem is, material available on the Web shows that people who have specific illnesses or use certain drugs can't buy coverage.

"This is absolutely the standard way of doing business," said Santiago Leon, a health insurance broker in Miami. Being denied for preexisting conditions is well known, but when a person sees the usually confidential list of automatic denials for himself, "that's a eureka moment. That shows you how harsh the system is."

A 50-year-old Broward County, Fla., man, with two long-standing medical conditions, saw the harshness for himself when surfing the Web trying to learn why insurers kept denying him coverage. He was shocked to find several insurers' instructions to sales personnel, usually called the Guide to Medical Underwriting and often marked "confidential and proprietary."

"I think it's atrocious what's going on," he said. "Basically, they're taking only the healthy so they can get the fattest profits. If you really need insurance, then you can't get it."

The man, a self-employed consultant, didn't want his name or preexisting conditions identified for fear that the information might frighten away potential employers.

Insurers don't want to talk about the guides. Sunrise, Fla.--based Vista, which has its 35-page "confidential and proprietary" guide tucked away within its website, refused to make executives available for an interview and instead issued a brief statement:

"The medical underwriting guidelines used by VISTA are based on industry standards, comply with all regulations and are subject to review by the Florida Department of Insurance. VISTA's Guide to Medical Underwriting is an educational tool intended to assist agents and brokers who are selling VISTA individual plans. We do not comment on our specific underwriting processes and practices."

Sandra Foertsch, who sells individual policies, says the fundamental concern of insurers is clear: "They don't want to buy a claim," meaning that they would start to collect \$500 monthly premiums from a person and quickly pay out more than that to doctors and other providers.

Foertsch said she was surprised that any of the guides could be found on the Web. "I'd guess someone made a mistake."

VISTA's Guide to Medical Underwriting is now on The Miami Herald Web site: media.miamiherald.com/smedia/2...rod_affiliate.56.pdf

What do they have on you?

By law, data-mining companies are required to tell you what they're telling health insurers about you. To ask for your file, contact:

Ingenix MedPoint Compliance

Write: 2525 Lake Park Blvd., West Valley City, UT 84120

E-mail: MedpointCompliance@ingenix.com

Milliman Intelliscript

Call: 877-211-4816

E-mail: IntelliScriptSupport@milliman.com

Medical Information Bureau

Call: 866-692-6901

NOTE: Milliman and Medical Information Bureau say they will have files on you only if you have applied for individual insurance.

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