

# DISABILITY CLAIMS SOLUTIONS CLIENT NEWSLETTER



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## Great Response... Thanks!

By Linda Nee, BA, HIA, ALHC, DIA, DHP, CPM

We received considerable feedback from DCS clients concerning the informational value of the first client newsletter. Thanks to all of you who took a personal moment to comment. We really appreciate your input.

I would like to continue to publish topics of interest to my clients, so please don't forget to send me a note with your ideas for future publications. I'm adding a Q&A section to the newsletter this month, so if you have a question, please feel free to email me and I will be happy to respond in the next issue.

We have several new clients coming on board for the month of August due largely to aggressive file denials rendered by DMA (Disability Management Alternatives). The source of DMA's business is as a third-party administrator. For those of you who are unfamiliar with what that is, DMA is contracted by other insurance companies to manage a block of business in some capacity. Sometimes, they operate strictly as an ATP (Advice to Pay), or as an ASO (Administrative Services Only.) Their authority to make final claims decisions as an ATP or ASO agent are severely limited.

Unfortunately, DMA is also a reinsurer. This means another insurance company sells DMA a liability portion of a block of unprofitable business and allows them to make liability decisions. The policyholder companies rely on the insurance reinsurer to "get rid of" as many claims in the unprofitable block of business as quickly as possible. This is why recent denials made by DMA are claims which they have been paying for a very long time.

Disability reinsurers can actually own either 100% of the block of business or a percentage. Nevertheless, companies like DMA, DMS, IDR, depend on claim denials for their profitability.

## DCS Successes

In August to date, DCS is happy to announce the following successful outcomes:

- 2 UNUM Reassessment Approvals Paid with Interest  
One lucky claimant received \$510,000+
- 2 UNUM ERISA Appeal Overturns
- 3 Initial Application Approval all IDI
- 3 Appeals completed and sent in.

## Changes in Operations

Thanks to all DCS clients for respecting the new changes in operations. We were able to accomplish a great deal of case work which really made a difference. Thanks for caring for others!

## Client Q&A for August

**I've seen the acronyms EDU, SHU, and PTD used in my claim documents. What do they mean?**

EDU stands for Extended Duration Unit and is generally used as a location for claims which Unum has decided to pay to duration. SHU is an old Provident term meaning Special Handling Unit describing the same department in Chattanooga. PTD means Permanently and Totally Disabled, again the same department at the old UNUM Life Company. Same departments different locations and companies.

**What is the MICP program?**

Unum pays its physicians, nurses and management up to 30% of their annual salary as incentive for "buying in" to their claims strategies of denying claims.

*If you are asked to submit to an FCE by a disability insurer, contact your physicians immediately. The disability insurer must obtain a prescription from your primary care physician allowing the exam. The physical rigors of an FCE can cause severe injury and damage to persons with back, muscle, and nerve injuries. Never attend an FCE without consulting with your primary physicians first to determine if they will allow the exam given the extent and nature of your impairment.*

*Disability insurers often “skip” the “script” because it is in their best interests to do so even when the exam risks further injury to the insured.*



Unfortunately, the United States economy is not good. If you've been watching the recent decline in the stock market you know we may be headed for a recession.

Disability insurers are having some difficulty earning sufficient interest and dividend income from their premium dollar investments to offset significant increases in claims. Therefore, the most recent “risk aggressive” claim denials from nearly all of the US major disability insurers may be the result of the poor economy.

Poor economy or not, it is against the law for any disability insurer to deny legitimate compensable claims for any reason.



*Once liability for your claim has been approved beyond the “any occupation period”, and if you have been awarded SSDI, your claim will be forward to EDU and will not be aggressively risk managed. Claims paid in the Unum Reassessment are also forwarded to EDU.*

One of Unum's most well-known field representative is a man by the name of John Monahan. When I was in training he told my class the story of a woman who claimed she needed a walker in order to ambulate. When he visited her home, sure enough, she had placed the walker alongside of her chair, in full view. After about an hour into the interview he asked the woman for a drink of water. Without hesitation the woman got up out of her chair and without assistance walked over to the sink, filled a glass of water, and sat back down – without the walker. Later, she realized she had been tricked.

John also tells the story of a man claiming severe cognitive deficits. During the interview John removed two quarters, several dimes, nickels and pennies from his pocket and asked the man to count the money. The man quickly added up the change and responded with the correct amount. John claimed in his report there was no cognitive deficit.

Field representatives have many tricks up their sleeve. The intended purpose of a field interview is to get the insured to say or do something which can later be used adversely as “inconsistency of report.” Most of the questions asked have been pre-approved by executive management for the same intended purpose.

Of late, Unum's reps are requesting that you allow a photograph be taken. The purpose of this, however, is so that future surveillance teams can identify you. Never allow a photograph to be taken by any field representative.

For clients of DCS, we manage these field visits together and ensure the claimant is prepared to maintain control of the interview.

## Enjoying Life.....An Editorial– Part I

By Linda Nee, BA, ALHC, HIA, DIA, DHP, CMP

In 1996 while still an employee of UNUMProvident, I was forced to go out on medical leave for thirty days - twice. Both times Unum denied my claims. It was the most unsettling, stressful, and fearful time of my life. My absence from work disrupted the entire family. My husband and I were forced to apply for town and state assistance, even for that short period of time in order to pay our bills and keep up, financially. In fact, I was so stressed by the experience that I made the decision to return to work prematurely in order to get well. I don't recommend that, but I felt pressured to go back to work just to relieve the daily fear I had to live with. I've been there, and I know what it's like having a disability claim unfairly denied.

During the last five years as a claims consultant, I've had the opportunity to speak to many, many people across the country about their disabilities and how a claim denial affected their families. These individuals tell me their lives have been completely devastated by companies such as Unum, The Hartford, Reliance Standard Prudential and others who denied claims for disability unfairly. I believe them. There is no doubt but that the disability insurance industry in the United States has failed us all.

But, of growing concern to us in the advocate business are those disabled persons who, after having a disability claim denied by an egregious and criminal insurance corporation, become so angry, they take on the monumental task of "getting back at that crooked insurance company", so much so, the vendetta takes control of their lives and becomes an endless preoccupation with the situation they find themselves in.

For some, their claim denial becomes the source of a daily preoccupation in search for information on the Internet which proves, Unum, for example is a "bad guy". These individuals spend every waking moment researching legal cases, collecting information about the IME doctor they had, or perhaps writing and rewriting journals and letters they received from the disability insurer.

I've seen very sophisticated, color coded Excel spreadsheets created by former insureds for the purpose of organizing, and assembling their claim information. Elaborate large three-ring binders are meticulously put together with indexed comment sections and defenses in support of claims. Hours and hours are spent writing letters to Congressmen, Insurance Commissioners, the insurance company etc. in an attempt to "bring the situation to the attention of the appropriate authority." Insureds write 20 page letters to the disability insurer in an attempt to justify and support their claim, something they should never do.

Others spend a large part of their day watching disability discussion groups, blogs, and chat rooms on the Internet, reading the angry comments of others who also have had claims denied. Suddenly, the disabled person's attention shifts from a concentrated effort to "get well" and achieve the highest quality of life possible for themselves and their families, to an obsession with the disability company and their claims practices. Many persons also stay up all night in order to collect as much information about the renegade insurance company as they can.

I've actually interviewed several insureds whose claims were denied in the late 1980's and 1990's who continue to this day to rabble rouse and grumble about their claim denials. The worst case scenario was a woman who called me for assistance in "fighting Unum." When I inquired about her claim she told me she was awarded disability benefits in 2000 and continued to receive her benefits to the current day. She went on to tell me how she had read all "that bad stuff" about Unum on the Internet and how she had contacted her Senators, the Insurance Commissioner, a handful of attorneys (who wouldn't take her case) and others to complain about Unum. When I asked her how she felt she was harmed by Unum (since she was still getting a benefit and her claim wasn't challenged), she told me quickly to "Go to hell." One woman I know of actually took a rubber gun into the courtroom to make a point. The judge wasn't impressed.

The phenomenon I've just described has become so common among insureds I've coined the phrases, "Claim Rage" or "Denial Rage" to describe a person's preoccupation with their claim denial and the insurance company who did it. The emotions associated with "Denial Rage", such as fear, insecurity, stress, betrayal, and feelings of invasion of privacy, are human, natural, and should be expressed and validated. It feels "awful" to have a disability claim denied especially when a family's financial future is challenged. My Bohemian grandmother once told me of an old saying, "Whoever controls your money, also controls you." There is a lot of truth in that saying- we just don't want to admit it.

Insureds have a tendency to internalize a disability claim denial and take it personally. The denial letter is seen, not as a rejection of the claim, but a rejection of the person. The perception is that the insurance company *“thinks I’m lying about my not being able to work”*, and *“why are they doing this to me?”* *“My doctor sent them everything, but they just don’t believe me.”* Suddenly, messages from the insurance company are no longer about the claim –it’s about the person. And that hurts.

As human beings we are also programmed to seek happiness, joy, and fulfillment every day. We need the positive aspects of life which in my experience cause us to have the strength we also need to handle the more difficult crises we often face. Sometimes when I’ve been working on an expert report or appeal report for several days straight, I have to force myself to leave my desk, go outside and enjoy the trees, the air, and the beautiful Maine landscape. Ten to fifteen minutes of doing something that makes us happy is crucial to our existence, and I highly recommend it.

I’ve put together a list of possible identifiers for insureds who may be living through a period of “Claim Rage” or “Denial Rage”. Please take some time to rate yourself and think about how these behaviors may be affecting the quality of your life as a disabled person. Are these behaviors self-destructive to you? What could you do on a daily basis to redirect your priorities from a preoccupation with your disability claim to activities that bring you joy. Check all those that apply.

- Whenever you are visiting with family, friends, peers, or neighbors, the conversation always shifts to you, your disability, or the insurance company that denied your claim. This is the topic of conversation you most enjoy and feel comfortable with.
- You spend more than two hours everyday on the Internet looking at subjects about disability claims, insurance companies, legal briefs, participation in disability forums and discussion groups, blogs and other online disability insurance related activity.
- A considerable time each day is dedicated to thinking about the injustice of your claim denial and what you could do to “get them back.” You find yourself dwelling on your claims situation by going over it again, and again in your mind.
- When you speak about your claim denial you become emotional and possibly tearful. Discussions about your disability claim bring on intense sadness, or you may feel you’ve lost control of your life because of the current circumstances.
- You are so angry with the insurance company you refer to it with profanity, “Those crooks”, “criminals”, “bastards”. You never miss an opportunity to criticize or slam the insurance company or industry.
- Your claim was denied and/or litigated more than two years ago, but you find yourself still dwelling on the circumstances of the denial. You still “fear” the insurance company even when benefits are being paid or, you’ve settled the claim.
- Considerable time is spent each day writing complaint letters or reporting insurance abuse to federal and state agencies. You may have written long and enduring letters to the insurance company attempting to defend yourself and your claim. Everyday you find someone else to complain or write to.
- Your health and the desire to engage in activities to improve the quality of your life as a disabled person have become secondary to your daily activity involving the insurance company and your claim denial.
- Your emotional state quickly turns fearful and angry if your disability check is more than a day late. Stress levels go over the top when benefit checks are several days late. You may even call the company everyday until the check is actually received, or you find yourself unable to take care of your daily activities until the money is received.
- You have an overwhelming belief that the insurance company has no rights. Even though there are two parties to every disability policy, you persistently come to believe the disability insurer has “no rights” whatsoever to ask you to do anything. You fight the insurance company on every request and action.
- You become enraged at the prospect of a future surveillance of you, or your home. The thought of invasion of privacy overwhelms your emotions and creates fear and anger every day.
- Do you find yourself getting angry and critical of others who may disagree with your opinion about the insurance industry and/or your claim situation.