

## Medical Underwriting

The purpose of this document is not to tell you how to commit fraud. It's to save you time and aggravation of repeatedly being declined by insurance carriers. That's because if you have a medical condition, the underwriters will want documentation from medical providers – and that can take weeks. Thus, when there is a medical condition, the underwriting process can take up to seven weeks.



general, are costly.

Unlike Group Health Insurance, which has to insure everyone, underwriters for Individuals and Families Insurance, non-Group, have specific guidelines on writing health insurance. These regulations vary from state to state, as well as insurer to insurer. Insurance carriers cannot even agree on the risk of smoking. The guidelines, however, are in place to minimize the risk the company undertakes, because medications, diagnostics, and health care, in

Texas has a Risk Pool, which takes most individuals that insurance companies have declined to cover. However, even the risk pool can place riders or exclusions on existing conditions.

If you wonder why the insurance companies don't just insure everyone, it's because in states that do not have a risk pool, the premiums are very expensive. So, the risk pool is designed to lower the premiums of the majority of Texans.

To that end, non-Group underwriters generally won't insure the following individuals:

- Those who will become eligible for any other medical insurance within the next six months
- Anyone, who is currently pregnant, an expectant parent, or in the process of adoption or surrogate pregnancy
- A person, who is not a U.S. citizen or lawful permanent resident
- A person who has had one of the ineligible medical conditions
- A person over (or under) the eligible height/weight limits.

What are the ineligible medical conditions? Most companies decline applicants with the following conditions: cancer/ tumors, progressive

ear/eye diseases, COPD, sexually transmitted diseases, female disorders, thyroid/gout disorders, as well as problems of the nervous system, respiratory system, digestive system, muscular/skeletal system, endocrine system, genitourinary system, and circulatory system. The underwriters will probably decline chronic fatigue, DWI/DUI, organ transplants, sleep apnea, and work related injuries covered by Workmans Compensation.

The non-Group insurance underwriters may place riders or exclusions on certain conditions. This means that the insurer will not pay for any medical expenses for any specifically excluded condition. The rider may be temporary or indefinite, but the policy will outline your rights. Generally, you may appeal after a specified period of time.

Here is a list of common health conditions that might get riders: Asthma/Allergies, back disorders, Cesarean sections, cholesterol/lipids, digestive disorders, female disorders, high blood pressure, immunotherapy, or psychological/psychiatric disorders.

So, does this mean that if you've ever had some condition, you won't ever be able to get insurance? No. However, the underwriters want to know that all of the diagnostic tests have been performed, that there are no ongoing treatments, that you are stable on one medication, and that you have no other conditions, which might aggravate your condition or necessitate more than normal use of medical services. The underwriters want answers to the following questions:

- Have you had surgery within the past five years? For some insurers there is a ten year look back.
- Has there been any treatment for alcohol/drug usage, Asthma/respiratory disorders, cancer, mental/ nervous in a hospital or outpatient facility?
- Has there been any urgent care or emergency room visits?
- If there has been a medical condition, was there a full recovery with no follow-ups or continuing symptoms?
- Have you received any treatment, testing, consultation or diagnosis from a doctor or other healthcare provider, other than annual physical exams?
- Has any testing found any abnormal findings?
- Are there tests for which you have not received results?
- Have you been recommended for diagnostic testing, consultations, treatment, follow-up or surgery that has not been completed?
- Have you received or recommended any treatment for alcohol or

drug abuse or addiction?

- Have you used illegal drugs or prescription medications to decrease alcohol consumption or drug use?
- Have you been cited for operating a motor vehicle under the influence of alcohol or drugs?
- Have you participated in vehicle racing, skydiving, ultra light flying, scuba diving, hang gliding, mountain climbing, or rodeos?
- Have you been advised to take any medication in the last 12 months?
- Have you used tobacco products or nicotine substitutions in the past 12 months?
- Have you been had a diagnosis, treatment or follow-up for cancer in the last 10 years?
- Have you been declined, charged an extra premium or had a portion excluded for medical insurance?

The conditions that tend to aggravate medical conditions are smoking and being overweight. For example, a person with Asthma that smokes is universally declined.

The following chart gives an alphabetical list of risk categories, related conditions, and the general acceptance criteria.

<i>Risk Category</i>	<i>Related Conditions</i>	<i>Acceptance Criteria</i>
Adjustment Reaction	Chest pain, chronic pain, digestive problems, Fibromyalgia, abnormal heart beats, migraines	There have been no hospital admissions within two years and maintained on two medications.
Arthritis	Osteoarthritis	Rheumatoid or Polyarthritis are declinable conditions. There is no need or history of reconstructive surgery or joint replacement and the condition requires a single prescription.
Asthma	Hyperactive Airway Disease, Reactive Airway Disease	There have been no emergency room visits or hospital admissions for

<i>Risk Category</i>	<i>Related Conditions</i>	<i>Acceptance Criteria</i>
		12-18 months and requires a single medication.
Back problems	Muscle spasms, strains, sprains, Sciatica	There can be no injury requiring surgery and the condition requires a single anti-inflammatory or pain medication and physical therapy only once a week.
Breast disorders	Benign Neoplasms, Cysts, Fibrocystic disease, silicone implant, saline implants	Biopsies or tissue should have been removed 6 months ago and must have normal mammogram with past 3 months.
Basal Cell Cancer		Cancer removed 12 months ago and there has been no treatment or medications for 3 months.
Cerebral Palsy		You must have minimal spastic movement, no mental retardation, and not use a wheelchair or crutches.
Deafness		Surgery must be repaired 6-12 months ago.
Diabetes	Type II, non-insulin dependent	Condition must be controlled by diet for 6-12 months and have BMI less than 29.
Diverticulitis		There has been no treatment or medication for 6 months.
Drug abuse	Illegal drugs, prescription drugs	There has been no intravenous drug use and no illegal drug use in 5 years.
Ear infections	Otitis Media	There has been no hearing loss and no more than 4 infections per year.

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Eating disorders	Anorexia, Bulimia	There have been no hospital admissions for 2 years and single psychotropic drug,
Endometriosis		There have been no treatments for 3 months and condition is controlled with hormones or birth control pills.
Fibroids		Surgery has been completed 3 months ago; there is no abnormal bleeding and is controlled.
Fibromyalgia		Diagnostic work-up and testing has been completed, with all results normal, and the condition is controlled with 2 medications.
Gallbladder Disorders	Cholecystitis, Cholelithiasis, Cholangitis	There have been no treatments, therapy, or medications for 6 months.
GERD	Gastroesophageal reflux disease, acid reflux, acid indigestion, heartburn	All diagnostic tests have been completed; BMI is under 34; there has been no smoking within 1 year and only a single medication is required.
Heart Disease	Angina, benign murmur, aortic valve disease, tricuspid valve disease	There have been no treatments or medications for 3 years and BMI is less than 28.
Hepatitis	Hepatitis A or B	For Hepatitis A, there has been a single episode longer than 3 months ago. For Hepatitis B, there are no immune disorder symptoms and there have been no treatments or

<i><b>Risk Category</b></i>	<i><b>Related Conditions</b></i>	<i><b>Acceptance Criteria</b></i>
		medications for 5 years.
Hernia	Hiatal	No surgery is required.
High blood pressure	Hypertension	BMI should be less than 29; there should be no smoking for a year; blood pressure is controlled with a single medication.
Hyperactivity	Attention Deficit Disorder	The condition is controlled on 2 prescription medications for 6 months.
Inflammatory Bowel Disorders	Colitis, Crohn's Disease, Regional Enteritis, Idiopathic Proctocolitis, Ulcerative Colitis	Surgical removal was completed a year ago, with no other treatments for 3 years.
Jaw disorders	TMJ, Malocclusion	The condition is not a candidate for surgery and there have been no treatments or medications for 6 months.
Kidney stones	Calculus	There have been no more than 2 episodes in 3 years and no therapy or medications within a year.
Obesity		There has been no smoking within a year and BMI is less than 42.
Pancreatitis		There has been a single episode, with a full recovery, and there have been no treatment or medications for 6 months.
Prostate disorders	Benign prostate, Hyperplasia, Prostatitis	There have been no treatments or medications for 6 months.
Thyroid disorders	Hypothyroidism	Condition has been stable for 12 months.
Ulcers	Gastric, Duodenal, peptic,	The condition has been

<i>Risk Category</i>	<i>Related Conditions</i>	<i>Acceptance Criteria</i>
	gastrojejunal	surgically repaired 2 years ago, maintained on over the counter medications; there has been no smoking for a year and BMI is less than 34.
Urinary Tract Infections		Diagnostics and workup tests have been completed and there have been no symptoms for 3 months.



If the medical condition is not listed or if you have questions, please contact us at [agent@heartoftexasinsurance.com](mailto:agent@heartoftexasinsurance.com) or phone us at (512) 436-6061.