



Just how well do YOU know your Policy?

We recently heard of a case where a person was declined a health claim – this was his story: He had been insured for many years and never had a claim. Then suddenly he was diagnosed with prostate cancer and his specialist recommended the latest laser treatment, at a cost of around \$30,000. The client's claim was declined by his health insurer as **it was not on their "List of Procedures" they cover!**

The sad thing is that in time, his insurer will add that procedure to their List of Procedures but in the interim, all existing policy holders who are recommended that particular procedure will have to fund it themselves – until it is eventually included on the health insurers List.

So, do all insurance companies have Lists? Well, some do, some don't!

Some insurers have maximums for procedures covered which means their clients have to be concerned about finding a surgeon who will do the operation for the cost their insurer is prepared to pay, or dig deep to meet the difference themselves. However, other's don't

Some insurance companies also have maximums for each procedure; you guessed it others don't.

Other variances we have encountered include:

- The "**Usual, Customary and Reasonable**" wordings. One insurer will have a medical professional contact the chosen surgeon and negotiate the fee, when they believe the charge seems excessive. Whatever the outcome of that discussion, the "Usual and Customary and Reasonable" fee is paid by the insurer.

- **Start Date:** The Insurance Ombudsman says that most of the cases that come before her are the result of a health condition arising while an insurance proposal is being underwritten. And with health – that condition can be something that seems quite minor!

For example, Little Johnny wakes up in the night with a sore ear the same night the Insurance Adviser has visited to get a health proposal completed. The next day he sees the doctor and 12 months later, his parents are told he needs grommets. Would Johnny be covered under YOUR policy?

With the baby-boomers reaching retirement and living a lot longer than earlier generations, this is having a huge impact on the public health system. That's why we should all have a back-up Plan – but the right one.