

FINANCIAL SERVICES COUNCIL

CLAIMS GUIDELINES

# MENTAL HEALTH

The background of the page is a solid light blue. Overlaid on this are several abstract, geometric shapes in various shades of teal and blue. These shapes are primarily located in the upper half of the page, behind the main title. They include sharp, angular polygons and elongated, arrow-like forms that create a sense of movement and depth. The overall aesthetic is modern and clean.

# CLAIMS GUIDELINES FOR MENTAL HEALTH CONDITIONS

FSC Guidance Note No. 14



September 2003

## TABLE OF CONTENTS

	Paragraph	Page
Introduction	1	2
Insurer Basics	2	2
Claims Management Process	3	3
Case Management	4	4
Periodic Review	5	7
Introduction to Claim Forms	6	7
Document 1 - Income Protection: Claimant's Initial Claim Form		8
Treating Doctor's Initial Certificate		11
Document 2 - Income Protection: Claimant's Progress Claim Form		14
Treating Doctor's Progress Certificate		16
Introductory Letter		19

### 1 INTRODUCTION

These guidelines are designed to provide a framework within which Insurers may choose to arrange their income protection claim processes in managing these types of claims; the key priority (and best outcome for all parties involved) being active return to the workforce.

1.1 It is generally recognised that these types of claims are difficult to assess; reasons include:

- each case is different in some way and is assessed on its individual merits;
- complex process issues exist between the medical profession and the insurance industry as a result of varying medical diagnosis and varying treatment options;
- there may be issues in addition to the medical complaint which are affecting recovery e.g. economic circumstances;
- lack of understanding of insurance principles and products;
- certification of total disability, or even permanent disability, without attempting a return to work or rehabilitation plan.

1.2 It is also recognised that there may be more than one way to manage a claim depending upon the terms and conditions of the insurance, practical considerations and the circumstances of each case.

1.3 It is acknowledged that FSC and Industry Members are bound to comply with all applicable law including the Trade Practices Act 1974 (Cth). These guidelines are not intended to contravene any such law or to create any obligation that they be followed. Each Insurer is free to decide for itself if it is appropriate to follow all or any of these guidelines in any particular case.

### 2 INSURER BASICS:

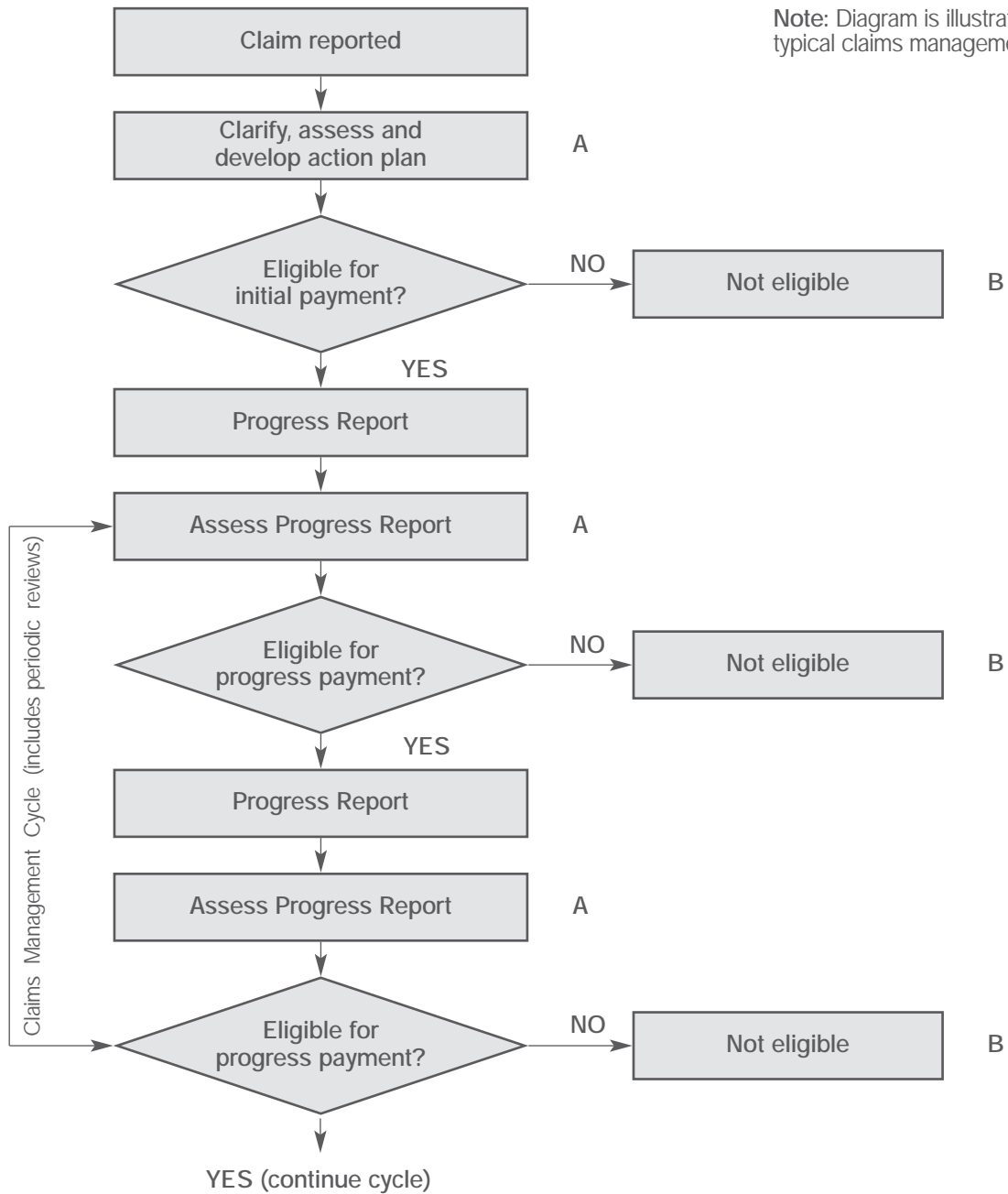
There are a number of recommendations for the management of these claims:

- Claims assessors should have a wide range of knowledge and skills ranging from technical awareness to empathy and communication. There needs to be a commitment to selective recruiting and ongoing specialised education and training of assessors which is available from Reinsurers, Chief Medical Officers (CMO) and a variety of providers.
- Insurers should recognise the need for and facilitate an environment conducive to effective assessment -i.e. workloads should allow the additional time inherently required in managing many of these claims.
- A CMO or Consultant should be available for reference and, where appropriate, to act as a liaison with the various advisers/specialists involved. Such CMO or Consultant should preferably be qualified in psychiatry, particularly where there is uncertainty.
- Privacy principles must be observed at all times.

2.1 **Claims Philosophy:** most Insurers will already have a philosophy for their approach to claims; generally this conveys an intent to pay all claims that meet the policy terms and conditions as promptly and fairly as possible.

2.2 **Communication:** during the assessment and management of these claims, communication is especially important between all of the parties. Wherever possible, the treating GP and/or specialist should be kept informed and involved.

## CLAIMS MANAGEMENT PROCESS



A: See – Claims Assessor Interactions diagram in Section 4

B: Reasons can include returned to work, no longer disabled etc.

### 3.1 Claim Reported

One of the important elements in successful claims management is being pro-active on a timely basis. The sooner a claim can be assessed with adequate accurate information, the better for all parties. Early intervention, even by telephone, is helpful with these claims.

- Where it is known that a reported claim is in connection with a mental health condition, it is recommended that a special claim form designed for these conditions be used (see FSC approved claim forms).
- If possible and feasible it is recommended that the initial claim form be delivered by either an employee of the Insurer or on behalf of the Insurer by an appropriately trained "provider" such as a nurse. This presents the opportunity to help the claimant complete the form and explain the claims assessment process.

### 3.2 Claim Management

NOTE: In many situations, for example, a short period of disability caused by bereavement of a family member or other traumatic event, further investigation or assessment may not be warranted and the claim may simply be paid. However, for other situations the following guidelines should typically apply.

## 4 CASE MANAGEMENT

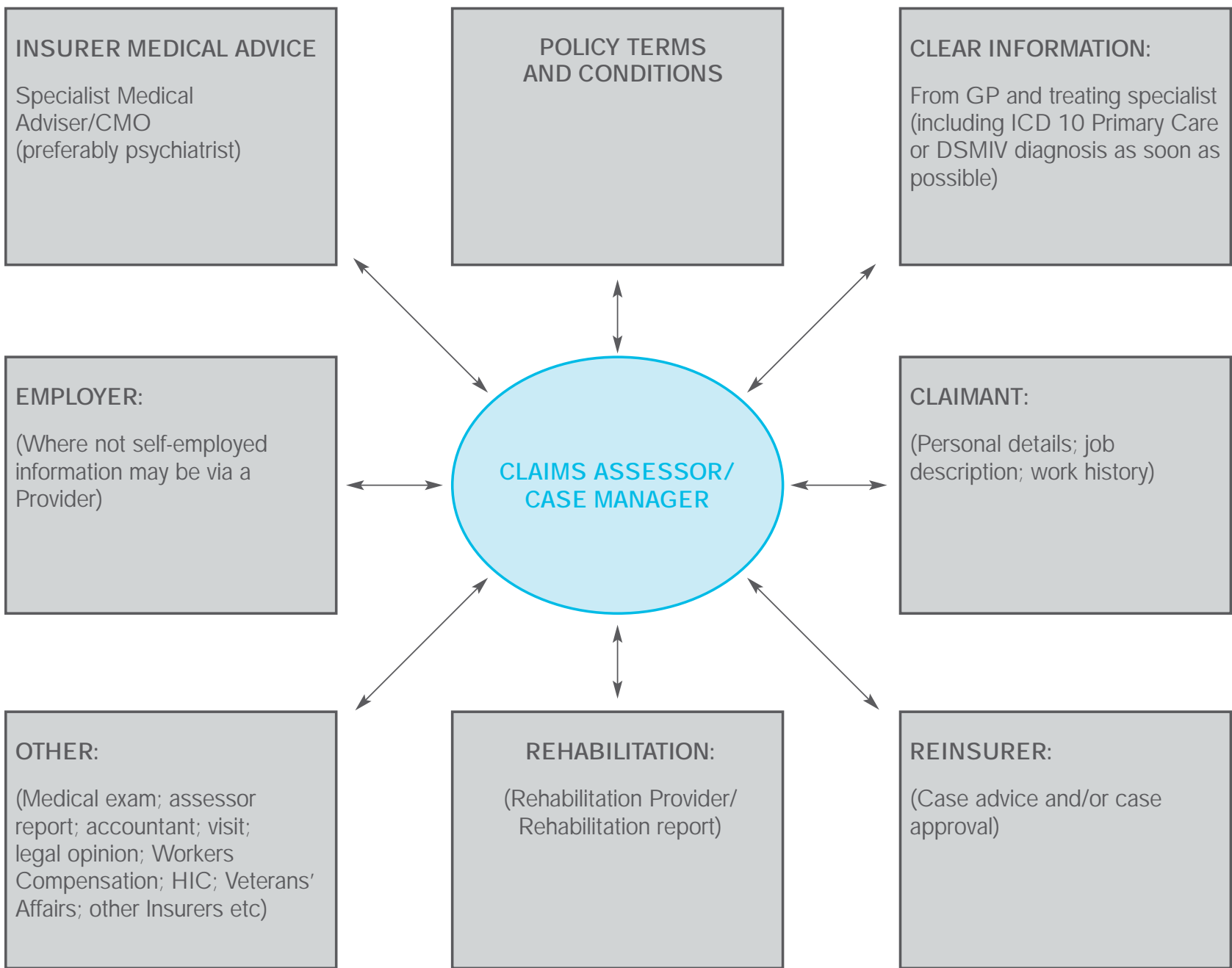
The claims assessor/case manager is responsible for initially assessing a claim and its ongoing management. Bearing in mind input from other parties, it is generally preferred that there be continuity, i.e. the same assessor for the duration of the claim to ensure familiarity with detail and any relationship established between the parties.

Where a claim is of an ongoing nature, it is recommended that an ACTION PLAN be drafted and regularly updated. In some cases such a plan should be prepared which will include information from the claimant and their medical advisers. The Action Plan should take into consideration any return to work program prepared by the claimant's medical advisers.

In making a decision, the assessor should access and review input from a variety of sources - see Claims Assessor Interactions diagram (page 5) and description (4.1 - 4.8).

NOTE: the nature and volume of information will vary depending upon the circumstances of each case. All information may not be readily available at the beginning of a claim and it is not uncommon for the Insurer to make an initial payment(s) pending receipt of more information.

CLAIMS ASSESSOR INTERACTIONS



**4.1 Policy Terms and Conditions:** claims are assessed within the context of the contractual terms and conditions of the policy of insurance. Terms and conditions vary between Insurers but there are usually similarities. Whilst all cases are assessed on their own merits; when dealing with insurance contracts there may be instances involving non-disclosure of medical history, non-genuine claims or malingering. The policy terms and conditions are the framework within which claims are assessed and managed.

**4.2 Medical Information:** it is essential to obtain clear medical opinion in the form of an ICD 10 Primary Care or DSMIV diagnosis. One of the difficulties encountered in disabilities of this nature is vague and sometimes uninformed diagnosis which leads to inappropriate treatment. Here input from the treating specialist (if any) is essential and referral to the Insurer CMO/consultant is valuable.

Supplementary medical information is often obtained by way of hospital reports/medical reports or questionnaires completed by the treating doctors or specialists. In some cases medical examination by an independent specialist may be required to clarify or affirm disability. Opinion should focus on the degree of an individual's functional impairment and not be simply a generalised opinion of disability.

It may also be necessary to conduct testing to validate a degree of functional impairment or compliance with the prescribed medication and/or refer to a psychiatrist/psychologist. From time to time it may be useful to forward the DSMIV Global Assessment of Functioning (GAF) Scale to the treating doctor to help gauge progress.

**4.3 Personal Information:** this is usually obtained from the claim form together with any interview performed on delivery of the form or subsequently. Naturally, there is an emphasis on medical history but also on details of occupational duties and work history. Some Insurers may wish to obtain a detailed job description at inception of a claim. An Insurer will usually seek assurance that disability is caused by a disabling condition and not caused or prolonged solely by a downturn in business, general economic circumstances, unemployment, retrenchment, workplace changes, disciplinary issues or other lifestyle factors not related to the disability such as pending retirement.

**4.4 Other Assessment Reports:** depending upon the circumstances of an individual claim, further information may be necessary; this can take the form of:

- a report from a loss assessor; this may involve a personal interview and, on rare occasions, a period of surveillance;
- as per 4.2 above, a medical examination by an independent specialist may be arranged. It is important that the independent specialist be, and be seen to be, impartial, fair and objective. An examiner should be appointed based on their expertise and objectivity, not to provide a biased report; the latter is entirely counter productive;
- financial evidence from the claimant or their accountant and, on occasion, a financial audit may be necessary to confirm the information. This is usually only for self-employed claimants.
- validation of medical history can be obtained by way of a Health Insurance Commission report with the patient's consent.
- in some cases in the event of possible dispute, legal opinion may be needed.

**4.5 Employer Report:** where the claimant is an employee (and this will usually be the case for group salary continuance insurance), it is helpful to gain an awareness of an employee's duties and status. As sometimes an employee's understanding of their duties and an employer's are entirely different! To expedite return to work on a partial, full or rehabilitation basis it is important to have the support and understanding of the employer (see later comments under "Specialised Providers").

Further to comments in section 4.3 "Personal Information" it is also important to understand whether there are any workplace issues that may have contributed to the claim.

Insurers may obtain information from an employer either directly or by way of an assessor or provider. NOTE: it is often necessary, particularly in group salary continuance insurance, to have the co-operation of the adviser/broker in dealing with the employer.

In all of these activities it is important that privacy principles be observed.

**4.6 Specialised Providers:** since mental health claims do, by their very nature, require special management, in some cases many Insurers are now obtaining the help of specialised providers to assess, and where approved, facilitate return to work and/or rehabilitation plans. Most policies do contain generous provisions to help claimants back into the workforce, without jeopardising their normal rights under the insurance and at no cost to them. Insurers generally will encourage and facilitate that process.

There are a number of specialised provider organisations available in Australia to help manage these claims. Typically they are staffed by health professionals, many of whom are clinical psychologists or occupational therapists with experience in dealing with these types of disorders, and with vocational and rehabilitation skills.



They can provide services ranging from a preliminary assessment of suitability for rehabilitation to actually implementing a return to work plan; such providers are usually more than prepared to also work with the treating physicians wherever possible. NOTE: that this tool can be expensive for the Insurer and, like other claims assessment tools, needs the careful supervision and approval of the claims assessor/case manager.

- 4.7 **Reinsurer Advice:** Insurer liability is usually shared with a Reinsurer. They have international knowledge and experience in addition to Australia and often have access to additional expert medical opinion and specialist claims staff. Even where not required under reinsurance treaty obligations, reinsurers can be a valuable assist in difficult cases.
- 4.8 **Claims Review Committee:** these committees (usually comprised of senior company personnel from a range of disciplines) are most commonly involved in handling complaints. On occasion they may also review complex claims and perhaps suggest alternative options.

## 5 PERIODIC REVIEW:

Where a case is ongoing, a Periodic Review should be performed on a regular basis. Generally, the longer a claimant is disabled (and reliant on regular insurance income benefits), the more difficult it becomes to help them back into the workforce.

- 5.1 **Audit Requirement:** a periodic review is prudent business practice in terms of compliance, due diligence and validation of continuing proof of loss.
- 5.2 **Nature and Scope of Review:** this will vary with the circumstances of each case. Where hospital confined, a review may be felt unnecessary, whereas continuing disability may warrant reassessment to determine whether the treatment regime is appropriate or whether other circumstances have emerged contributing to the disability. Generally a review should take the form of a personal visit with other options being any or all of the previously described assessment tools available to the claims assessor/case manager.
- 5.3 **Appropriate Assessment:** it is important to tailor the assessment to the circumstances of each case. There needs to be a reasonable balance between the Insurer need to protect the portfolio of insured lives by confirming the legitimacy of a claim and fulfilling the obligations to claimants under the policy of insurance.

## 6 INTRODUCTION TO CLAIM FORMS

The following documents have been included as a guide.

1. Income Protection: Claimant's Initial Claim Form; Treating Doctor's Initial Certificate
2. Income Protection: Claimant's Progress Claim Form; Treating Doctor's Progress Certificate
3. Suggested introduction for supplementary medical questionnaires



16.	Date your medical condition first appeared		
17.	Date you first sought treatment by a doctor for this condition		
18.	Please give details of your current symptoms		
19.	Please give details of all doctors, including specialists or other healthcare providers you have consulted for your medical / mental health condition.		
	(a) Name and address		
			Speciality
	Date/s of consultation		
	(b) Name and address		
			Speciality
	Date/s of consultation		
20.	Please give details of your current Management plan, eg: type/s of medication and dosage; therapy; and frequency of treatment.		
21.	Have you been admitted to hospital for this condition?		
	No <input type="checkbox"/>		
	Yes <input type="checkbox"/> Please detail		
	Name of hospital		
	Date of admission	/	/
	Date of Discharge	/	/
22.	Have you ever had this medical/mental health condition or any similar condition before?		
	No <input type="checkbox"/>		
	Yes <input type="checkbox"/> If "Yes", please provide details		
	(i) Date/s of episode		
	(ii) Any time required off work? If yes, please detail		
	(iii) Name and address of treating doctor/s		
23.	Are you still completely unable to work?		
	No <input type="checkbox"/> When did you first return to work?		
	Part-time	/	/
	Full-time	/	/
	Yes <input type="checkbox"/> When do you expect to return to work?		
	Part-time	/	/
	Full-time	/	/

24. If you have not yet returned to work, do you have a return to work plan, or have you discussed a return to work plan with your doctor?

If yes, please give details of the return to work plan

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If no, please advise the reason for this situation

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25. If you have not yet returned to work in any capacity or in a part-time capacity, please advise the following:

(a) Which of your normal duties are you **unable** to perform?

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(b) Which of your normal duties are you **able** to perform?

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INDIVIDUAL COMPANY SPECIFIC QUESTIONS ON OTHER CLAIMS WITH WC, CENTRELINK ETC.

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PRIVACY STATEMENTS/DECLARATIONS OF INDIVIDUAL COMPANIES

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## INCOME PROTECTION TREATING DOCTOR'S INITIAL CERTIFICATE

THE INSURED IS RESPONSIBLE FOR ANY CHARGES FOR THE COMPLETION OF THIS FORM

Policy Number \_\_\_\_\_

Name of Insured \_\_\_\_\_

Address of Insured \_\_\_\_\_

Date of Birth            /            /            Height            Weight

Insured's occupation \_\_\_\_\_

How long have you known the Insured? \_\_\_\_\_

Are you the Insured's usual treating doctor?

GP            Yes    ☐    No    ☐

Specialist    Yes    ☐    No    ☐    Qualifications \_\_\_\_\_

If the Insured was referred to you, please advise by whom \_\_\_\_\_

### DETAILS OF INSURED'S DISABILITY

1. Diagnosis (provide either ICD-10 Primary Care or DSMIV diagnosis if known), including date of diagnosis. Please note that generic terms such as "anxiety", "depression", "stress", "stress condition", "medical condition" or "psychological condition" are not acceptable.  
\_\_\_\_\_
2. When did the Insured first consult you for this condition?  
\_\_\_\_\_
3. How often has the Insured consulted you for this condition? Please include dates.  
\_\_\_\_\_
4. Please detail any ongoing medical problems, past history of the Insured or other circumstances that you are aware of which are contributing to the Insured's current condition.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
5. What are the Insured's current symptoms and severity of symptoms?  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6. Please describe the Insured's management plan (including medication and dosage, counselling, frequency of treatment etc) and any response to date.
7. Has hospital treatment been required? If yes, please provide full details, including dates of admission and discharge, name of hospital/s and doctor/s.
8. What specific work duties is/was the Insured **unable** to perform? Please provide detailed reasons for your opinion.
9. What specific work duties is/was the Insured **able** to perform? Please provide detailed reasons for your opinion.
10. Do you consider the Insured to be capable of working in their occupation?
- Full-time ☐ From      /      /
- Part-time ☐ From      /      /
- Not at all ☐
11. If "Not at all", do you consider the Insured to be capable of working in any other occupation? If yes, please provide details of the occupation/s and current work capacity.
- Full-time ☐ From      /      /
- Part-time ☐ From      /      /

PLEASE COMPLETE QUESTIONS 12 TO 17 ONLY IF THE INSURED HAS NOT YET RETURNED TO WORK, OR HAS ONLY RETURNED TO WORK PART-TIME (IF ALREADY BACK AT WORK FULL TIME, PLEASE PROCEED TO QUESTION 18)

12. Is the Insured complying with the recommended management plan?

Yes ☐ No ☐

If "No", please give details.

13. When do you anticipate the Insured will return to work on a full-time basis?
14. Have you, or are you, implementing a return to work program or rehabilitation? If yes, please provide a copy of the program or details. If no, please advise why not.
15. Have you referred the Insured to a specialist, any other health providers and practitioners (eg psychologists, counsellors etc), or for any tests? Please provide details including copies of correspondence from the specialist, and/or test results, if available.
16. Please comment on how the Insured's symptoms affect their normal daily activities, such as housework, gardening, driving, social activity, sports etc.
17. In your opinion, how does the Insured's current condition compare to their pre-disability level of functioning?
18. Have you, or are you currently completing any other forms or medical certificates in relation to the Insured's medical / mental health condition, for any other Insurers or in connection with Workers' Compensation, Department of Veterans' Affairs, Centrelink?
- Yes ☐ No ☐
- If yes, please advise for whom you are completing these forms and for how long have you been doing so?

PRIVACY STATEMENTS/DECLARATIONS OF INDIVIDUAL COMPANIES

I hereby declare that the above statements are true and correct.

DOCTOR'S DETAILS

Name of doctor

Address

Phone ( )

Qualifications

Signature

Date

/

/

**INCOME PROTECTION  
CLAIMANT'S PROGRESS CLAIM FORM**

Please fully complete this form and return it with the Treating Doctor's Report,  
on or around        /        /

Policy Number

PLEASE PRINT

1.	Surname (Family name)		
	Given names		
2.	Home address		
3.	Postal address		
4.	Contact phone numbers		
	Home	Work	Mobile
5.	Do you have any other sources of income (such as investment income)?		
	No	<input type="checkbox"/>	
	Yes	<input type="checkbox"/> Please provide details	
6.	Please explain the exact nature of your medical / mental health condition, including your current symptoms, and the diagnosis of the condition as advised by your doctor.		
7.	Date of the most recent consultation with your doctor for this condition        /        /		
8.	Please give details of all doctors, including specialists or other healthcare providers you have consulted for your medical condition since completing the last claim form.		
	(a) Name and address		
	Speciality		
	Date/s of consultation		
	(b) Name and address		
	Speciality		
	Date/s of consultation		



9. Please give details of your current management plan, eg: type/s of medication and dosage; therapy; and frequency of treatment.
10. Please give details of any hospital treatment during the period.
- Name of hospital
- Date of admission / / Date of Discharge / /
11. Are you still completely unable to work?
- No ☐ When did you first return to work?
- Part-time / / Full-time / /
- Yes ☐ When do you expect to return to work?
- Part-time / / Full-time / /
12. If you have not yet returned to work, do you have a return to work plan, or have you discussed a return to work plan with your doctor?
- If yes, please give details of the return to work plan
- If no, please advise the reason for this situation
13. If you have not yet returned to work in any capacity or in a part-time capacity, please advise the following:
- (a) Which of your normal duties are you **unable** to perform?
- (b) Which of your normal duties are you **able** to perform?

INDIVIDUAL COMPANY SPECIFIC QUESTIONS ON OCCUPATION, INCOME & OTHER CLAIMS WITH WC, CENTRELINK ETC.

PRIVACY STATEMENTS/DECLARATIONS OF INDIVIDUAL COMPANIES



5.	Are any of these factors delaying the Insured's recovery? If so, please detail.		
6.	Are there any social or lifestyle or other factors that may affect recovery?		
7.	What are the Insured's current signs and symptoms, and severity of symptoms?		
	(a) Subjective (as reported by the insured)		
	(b) Objective (apparent as confirmed by examination)		
8.	Please describe the Insured's management plan (including medication and dosage, counselling etc ) and response to date. Please also attach a copy of this plan if available.		
9.	Has hospital treatment been required? If yes, please provide full details, including dates of admission and discharge, name of hospital/s and doctor/s		
10.	What is your understanding of the Insured's:		
	(a) Occupational duties		
	(b) the normal hours worked per week prior to disability		
11.	What specific work duties is the Insured <b>unable</b> to perform? Please provide detailed reasons for your opinion.		
12.	What specific work duties is the Insured <b>able</b> to perform? Please provide detailed reasons for your opinion.		
13.	Do you consider the Insured to be capable of working in their occupation?		
	Full-time	<input type="checkbox"/>	From      /      /
	Part-time	<input type="checkbox"/>	From      /      /
	Not at all	<input type="checkbox"/>	
14.	If "Not at all", do you consider the Insured to be capable of working in any other occupation? If yes, please provide details of the occupation/s and current work capacity.		
	Full-time	<input type="checkbox"/>	From      /      /
	Part-time	<input type="checkbox"/>	From      /      /

## CLAIMS GUIDELINES FOR MENTAL HEALTH CONDITIONS

PLEASE COMPLETE QUESTIONS 15 TO 22 ONLY IF INSURED HAS NOT YET RETURNED TO WORK, OR HAS RETURNED TO WORK PART-TIME  
(IF ALREADY BACK AT WORK FULL TIME, PROCEED TO QUESTION 23)

15. To what extent has the Insured been able to participate with the recommended treatment plan?

Yes ☐ No ☐ Unsure ☐

If "No" or "Unsure", please give details.

16. Is the condition:

improving ☐ stable ☐ deteriorating ☐

17. If the condition is stable or deteriorating, where is the difficulty and what in your opinion or can be done to change this?

18. When do you anticipate the Insured will return to work on a full-time basis?

19. Have you, or are you, implementing a return to work program or rehabilitation? If yes, please provide a copy of the program or details. If no, please advise why not.

20. Have you referred the Insured to a specialist, any other health providers and practitioners (eg psychologists, counsellors' etc), or for any tests? Please provide details including copies of correspondence from the specialist, and/or test results, if available.

21. Please comment on how the Insured's symptoms affect his /her normal daily activities, such as housework, gardening, driving, social activity, sports etc.

22. In your opinion, how does the Insured's current condition compare to their pre-disability level of functioning?

23. Have you, or are you currently completing any other forms or medical certificates in relation to the Insured's medical / mental health condition, for any other Insurers or in connection with Workers' Compensation, Department of Veteran's Affairs, Centrelink?

Yes ☐ No ☐

If yes, please advise for whom you are completing these forms and for how long have you been doing so?

### PRIVACY STATEMENTS/DECLARATIONS OF INDIVIDUAL COMPANIES

I hereby declare that the above statements are true and correct.

DOCTOR'S DETAILS

Name of doctor

Address

Phone (      )

Qualifications

Signature

Date      /      /

INTRODUCTION TO MENTAL OR NERVOUS  
DISORDER CLAIM QUESTIONNAIRE

Dear Doctor

MR/MRS/MS ..... has submitted a claim to our company under their Income Protection (*or other description*) insurance. This type of insurance is designed to help replace income when, due to an accident or sickness, they are unable to work, are not working and are under regular medical treatment.

As the Insurer looking after MR/MRS/MS .....’s claim, we recognise that it is important for us to assist them to try to minimise any financial, psychological or social loss caused by their current circumstances. We understand that early intervention and proactive treatment greatly facilitates recovery from mental or nervous disorders and one way in which we aim to assist MR/MRS/MS ..... while they are on claim, is to make sure we have a comprehensive understanding of their condition and treatment regime and how this impacts upon their ability to perform their occupational duties.

As MR/MRS/MS .....’s treating doctor/specialist, you clearly play a key role in promoting their recovery and enabling their return to work. Accordingly, we would appreciate your assistance by answering the following questions and, wherever possible, providing further information or comments you feel are relevant.

Financial Services Council (FSC)  
ABN 82 080 744 163

Head Office  
Level 24, 44 Market Street  
Sydney NSW 2000  
Telephone: 02 9299 3022  
Facsimile: 02 9299 3198

