

The SOURCE

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CDS Research Update - First Quarter 2010

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CDS conducts industry surveys as a value added service to our reinsurance clients. These surveys are a part of our on-going quest to find answers to questions or best practice solutions to processes and procedure in the disability industry. The following is a partial list of industry surveys conducted during the last 12 months that were requested by CDS' reinsurance clients.

1. **CDS Group Disability Claims Appeals** - to understand how other companies in the industry (reinsurers and direct writers) are handling certain claims appeals procedures / situations.
2. **Definition of Disability - Gainful Occupation and Earnings Test Qualifiers Survey** - to gather disability insurers' views about the "gainful occupation" definition requirements and "earnings test" qualifiers each company includes in its group disability policies.
3. **Maternity Claims Survey** - to learn how other disability writers (top 20 disability writers) handle maternity claims standardly.
4. **War Exclusion** - to gather disability insurers' views about certain types of exclusions and limitations they include in their group disability policies.

The results from each of these surveys were provided to all participating carriers.

CDS was recently asked to conduct a Vocational Rehabilitation industry survey to better understand the policies and procedures other disability insurers' use for handling occupational evaluations for LTD claims.

Handling Own Occupational and Any Occupational Position Reviews for Long Term Disability Claims.

The following are sample questions from that survey:

1. What sources does your company utilize when performing own and any occupational reviews? (Check as many as appropriate).
2. What software programs do your vocational counselors have access to in order to assist them in completing own and any occupational reviews? For example, Oasys, Economic Research Institute (ERI) Salary Assessor.
3. Looking at all your cases, what percentage of the time do your vocational counselors supplement own occupational evaluations with labor market research such as information from the Internet, Bureau of Labor Statistics, or other resources (Not including labor market surveys)?
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6. Looking at all your cases, what percentage of the time do your vocational counselors supplement any occupational evaluations with labor market surveys?
7. Does your company have a policy in place to address situations when two or more occupational titles are identified for an own occupational review?
8. What percentage of the time does your company perform an on-site job analysis to assist in evaluating own occupation?
9. When a referral is made for an any-occupation vocational review, what is the minimal amount of function a claimant needs in order for the vocational consultant to conduct the review?

The companies that participated in the survey represented 80% of all the companies invited to participate. Seventeen carriers in the U.S. participated.

If your company is a direct writer of group disability benefits in the United States or Canada, and you wish to be included in future surveys, please contact Brian Cooke at bcooke@customdisability.com, or call 207-400-3569.

Industry surveys are designed only for CDS clients, but participation is open to all disability insurers at no cost. Answers remain anonymous, and company responses are not used in any way that could identify the company specifically. Survey results are confidential and shared only with our clients and with the participating companies. ■



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