



Society of Actuaries in Ireland

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# **Mental Health Underwriting – updating for current practices**

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29 April 2021

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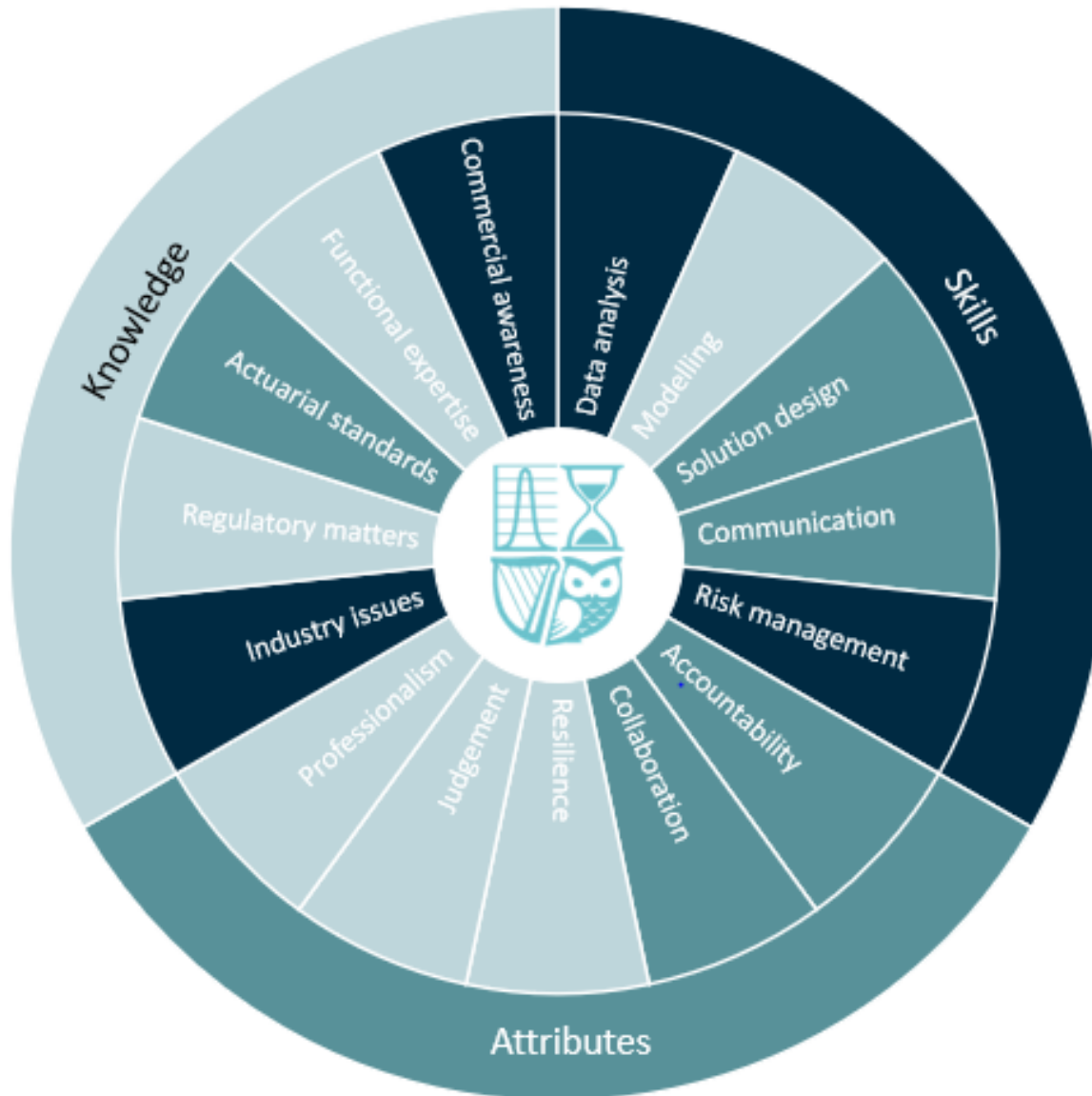
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# Disclaimer

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# SAI Competency Framework Wheel





# Agenda

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- History of and changing approaches to mental health
- Underwriting considerations
- How our approach has evolved over time
- Case Studies
- Questions



# Ancient History / Middle Ages

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## Theories

- Supernatural forces and demonic possession
- Somatogenic theories
- Psychogenic theories

## Treatments

- Trepanning
- Bleeding, purging and vomiting
- Asylums





# 20<sup>th</sup> Century

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## **Theories**

- Psychodynamic – (Freud) interplay of unresolved unconscious motives
- Behaviourism – (Watson) effects of behavioural conditioning

## **Treatments**

- Psychoanalysis
- Adaptive reconditioning
- Lobotomy
- Insulin coma therapy
- Electroconvulsive therapy (ECT)
- Asylums

## **Categorisation of mental illness**

- International Classification Of Disease (ICD)
- Diagnostic and Statistical Manual of Mental Disorders

# Modern approach to mental health

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## Treatments

- Talking treatments
- Psychiatric medication
- Arts and crafts therapies
- Complementary and alternative therapies



# Public Attitude to mental health

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# Why Is Mental Health underwriting so important

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- One in four of us will be affected by a mental health condition in any given year
- Disclosure rates – by far the biggest disclosure on applications
- Claims – in 2017 mental health was the most common cause of claim on income protection policies in the UK

BUT....

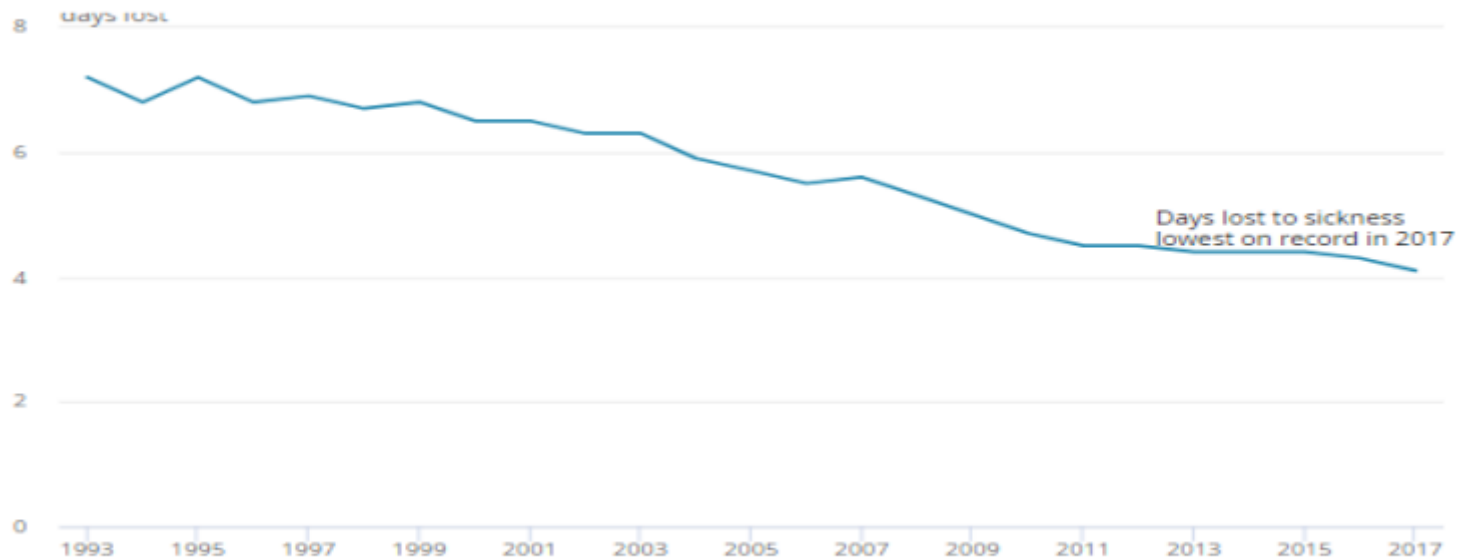
- Do existing underwriting practices reflect the increased prevalence of mental health issues in the public domain and an associated increase in interventions and treatments?
- Are we seeing more disclosure in UK population?

# Public Attitude and Underwriting

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Number of days<sup>1</sup> lost through sickness per worker<sup>2 3</sup>, 1993 to 2017,

UK



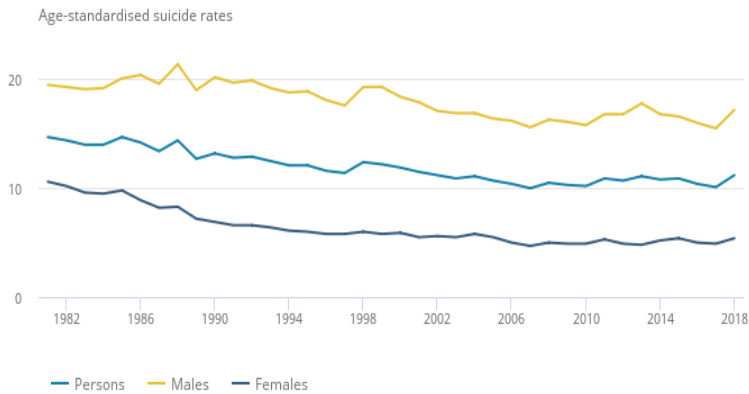
Source: Labour Force Survey person datasets, ONS

# Public Attitude and Underwriting

## UK suicide rates

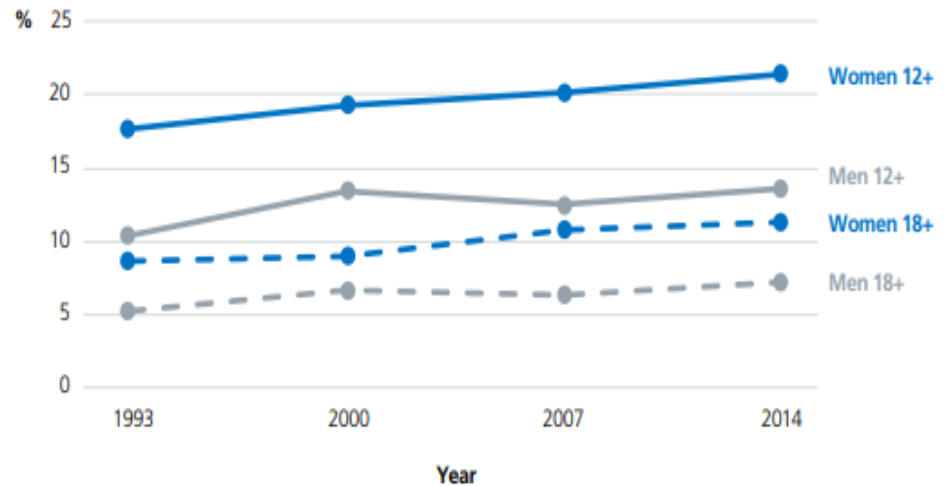
Figure 1: Significant increase in suicide rates for all persons and males in 2018

Age-standardised suicide rates by sex, UK, registered between 1981 and 2018



## CIS-R score of 12 or more and 18 or more

Base: adults aged 16-64

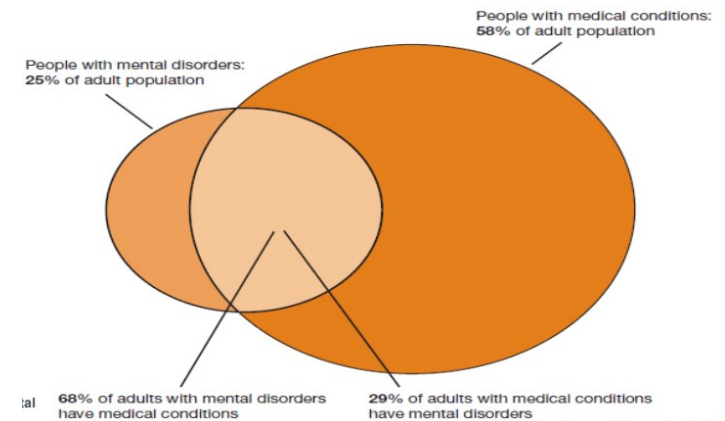


Source: Office for National Statistics, National Records of Scotland, and Northern Ireland Statistics and Research Agency

Thanks for GenRe for summarising

# Why are insurers interested in mental health?

Diagnosis	All-Cause mortality	Risk compared to heavy smoking	Relative Risk
Opioid use	14.7	7.7	
Cocaine use	6.0	2.4	
Anorexia nervosa	5.9	2.3	
Alcohol abuse	4.6	1.8	
<b>Heavy smoking</b>	<b>2.6</b>	<b>1.0</b>	
Schizophrenia	2.5	1.0	2.54
Bipolar Disorder	2.2	0.8	2.00
Depression	1.6	0.6	1.71
Cannabis use	1.2	0.5	



Associated with adverse health behaviours

- Smoking
- Substance abuse
- Physical inactivity
- Poor diet

# Suicide – can we underwrite the risk?

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<b>Suicidal thoughts</b>	<b>20.6 in 100 people</b>
Suicide attempts	6.7 in 100 people
Self-harm	7.3 in 100 people
Suicide rate	10.1 deaths per 100,000

Large et al (2017) concluded ‘We need to acknowledge our powerlessness to usefully classify individuals or groups of patients according to future suicide risk’

Klonsky et al (2017) concluded ‘The majority of traditionally cited risk factors for suicide – including depression, hopelessness, most psychiatric disorders, and even impulsivity – predict suicidal ideation but do not distinguish suicide attempters from suicide ideators’

<https://www.mind.org.uk/information-support/types-of-mental-health-problems/statistics-and-facts-about-mental-health/how-common-are-mental-health-problems/#.XJJCkyj7TmY>

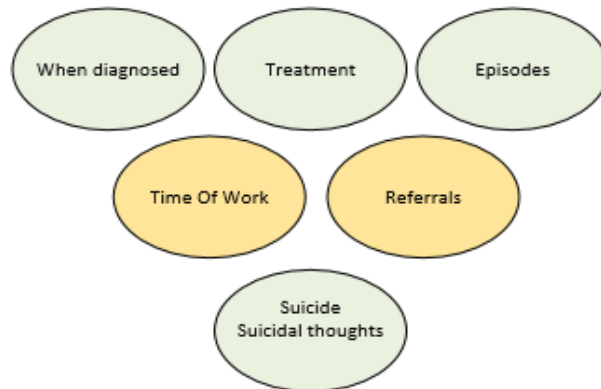


# Application questions

## OLD (2007)

Have you ever had a mental illness that has required medication, counselling, hospital admission or psychiatric treatment

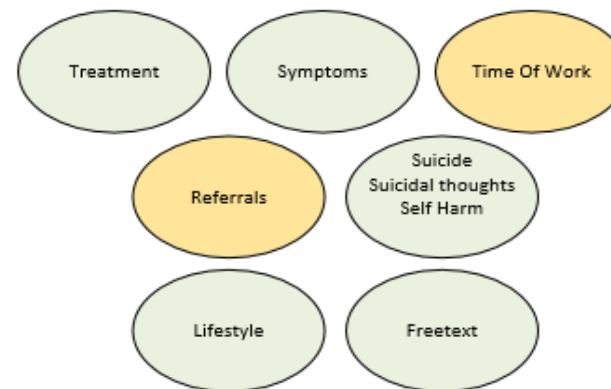
In the last 5 years had stress, depression, anxiety, eating disorder, chronic fatigue or tiredness that has  required any medical treatment or advice, or  prevented you from performing the main duties of your occupation or your normal daily activities for more than 3 continuous days?



## NEW (2020)

Do you or have you ever had a mental problem that has required hospital treatment, referral to a psychiatrist or have you attempted suicide

In the last 5 years have you had stress, depression, anxiety, eating disorder, chronic fatigue, or any mental health problem that has required you to consult a health professional, have counselling or other psychotherapy, or prevented you from working or carrying out your normal daily activities for more than 5 continuous days





# Differences

OLD	NEW
Are you on medication?	If on medication, has it increased or changed in the last 12 months
Have you taken an overdose of drugs, attempted suicide or attempted self harm in the last 10 years?	In the last 5 years have you ever.. * intentionally harmed yourself * tried to take your own life
Please indicate which of the following best describes number of episodes and length of symptoms	When did you last experience symptoms? How many days have you taken off work in the last 5 years?
	Your previous medical history is also an important indicator of your future physical and mental health. The following questions will ask about both.
	If you would like information on where to find mental health support please download our Scottish Widows Care – Mental Health Support Guide...
	Have you sought to manage your condition by making positive lifestyle changes....
	Free text - would you like to tell us more about your condition....

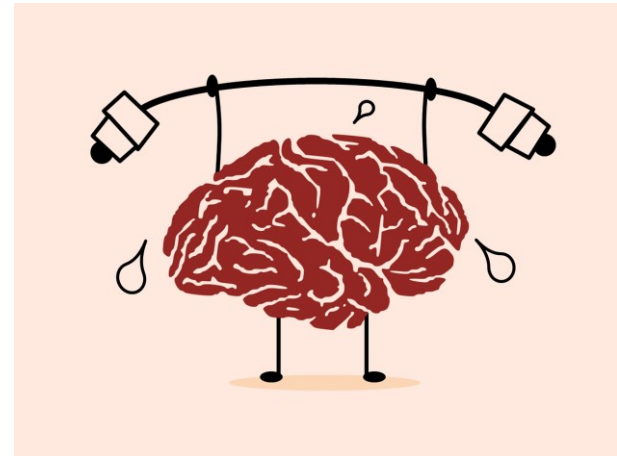
# Lifestyle / Self Management

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Mental Health UK –

“Your questions are all a bit negative”

“You don’t take into account positive steps that customers take to manage their condition”

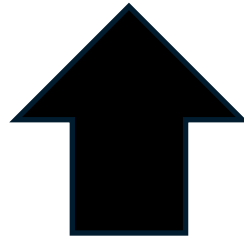




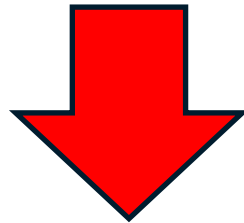


# Medical Evidence

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- Tele interview



- Mental health questionnaire
- GP report
- Specialist report

# Access to insurance

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Just how many customers with a mental health condition will be offered cover?

- 96% will be offered life cover...
- ..and 80% will be offered life cover at standard terms

The Access To Insurance working group and ABI are focusing on..

- Improving accessibility
- Improving the application process
- Communicating decisions and cover available
- Transparency



# Case study 1

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- Female age 24
- Diagnosed with depression by GP 4 years ago
- No time off work
- Last symptoms over a year ago
- On medication but no change to medication



# Case Study 2

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- Male aged 35
- Anxiety/depression diagnosed by GP 3 years ago. Treated by psychiatrist as an outpatient
- 35 days off work in the last 5 years
- Started on medication. Still on medication but no change to type or amount in the last 12 months
- Last symptoms 8 months ago
- No episodes of self harm or thoughts to take own life
- Participates in group therapy, increased exercise and improved diet

# COVID-19 and mental health

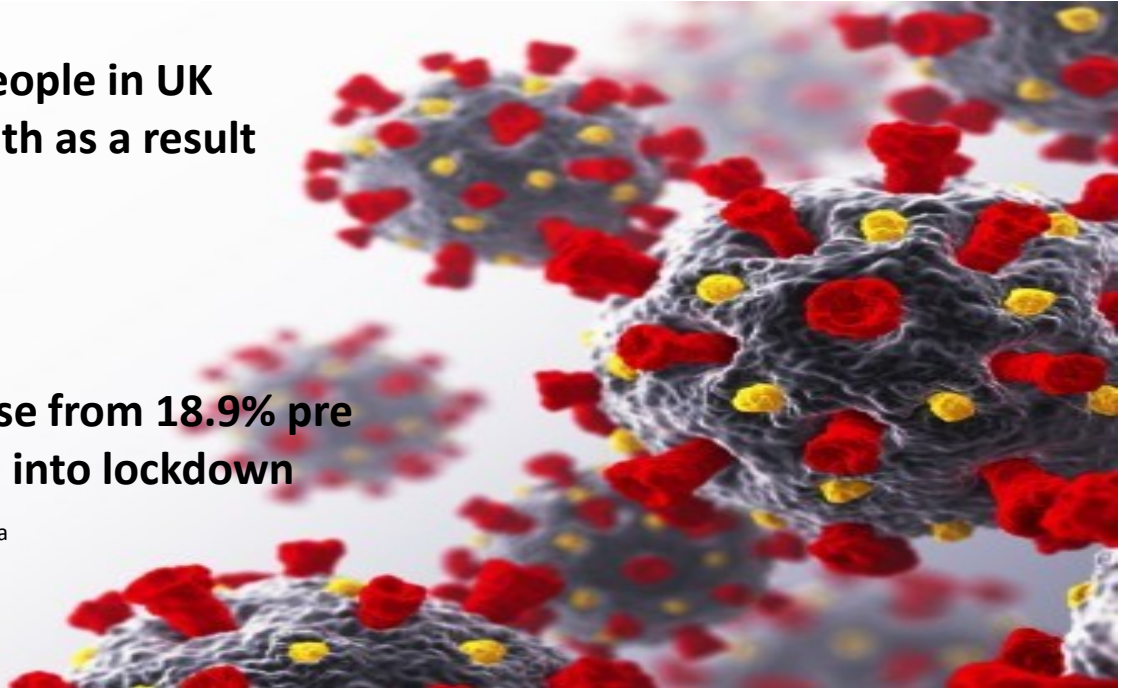
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**“At least half a million more people in UK may experience mental ill health as a result of Covid-19”**

Centre for Mental Health – first forecast

**UK levels of mental distress rose from 18.9% pre lockdown to 27.3% one month into lockdown**

UK mental health before and during the COVID-19 pandemic: a longitudinal probability sample survey of the UK population - The Lancet July 2020





# Summary

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- Poor mental health has been prevalent as long as good mental health
- Treatments have varied: supernatural cause – scientific approach – holistic approach.
- Public awareness and acceptance of mental health conditions has increased significantly in recent years
- Prevalence of anxiety/depression increasing but is the impact reducing?
- Assessing risk without consistent evidence base is difficult, it needs to rely on identifying key factors and what is truly a long term risk.
- It's easier to get protection with a history of poor mental health than you might think
- Insurers are adopting a more sympathetic approach and trying to avoid over underwriting...
- ..but uncertainty is always present (COVID-19)

# Questions

Please click on the 'Raise Hand' icon  
to ask a question  
and  
wait to be unmuted

or

Use the Q&A function

