

Associated Press
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**REGULATION MAY
BAR INSURERS FROM
DROPPING POLICIES**

Proposal would combat rescissions of health insurance policies in California.

Insurance Commissioner Poizner proposed regulations today that call on health insurers to provide clearer applications and proactively collect medical information before granting policies – a move designed to reduce the amount of policies dropped after customers make costly claims.

The proposal which only affects individually purchased policies, and not those obtained through employers, follows a spate of fines, complaints and lawsuits in recent years that have accused health insurers of unfairly canceling policies.

Similar laws have been enacted in Connecticut and Maryland...

With the latest efforts to curb limits on rescissions, accurate underwriting is more important than ever.

Performing MIB Checks on applicants can uncover medical conditions not revealed in their health histories and have a major impact on your decision to rate, rider or decline. It's a fast, easy, cost-effective way to underwrite with a more complete and accurate picture of an applicant's health.

Health industry studies show that upon further investigation, on average, 41 of every 1,000 applicants had conditions that were declinable, ratable or required exclusions that they failed to disclose¹. Because MIB has the largest database of medical conditions on insurance applicants in North America, underwriters can see risk more clearly and uncover applicant misrepresentation before it negatively impacts profits.

Visit mibsolutions.com/health to view these proposed regulations and to learn how you can start saving your company hundreds of thousands of dollars annually with MIB. Call 781.751.6330 or email info@mibsolutions.com for more information.

¹ MIB Solutions study of issued policies, 2002.