Easy Health™

Guide to pre-existing medical condition cover

nib

Easy Health pre-existing medical condition cover explained

We've written this guide for you to help with discussions with your clients around pre-existing conditions that are covered under Easy Health. Although this document is intended as a guide to the most common queries about pre-existing cover on Easy Health, we encourage you to read it in conjunction with the policy document.

While we believe the guide is consistent with the terms of the Easy Health Policy, the guide is subject to the policy wording. If there are any inconsistencies between the policy wording and this guide, the Easy Health Policy wording prevails.

Pre-existing definition

In its simplest form, a pre-existing condition is something that the client is aware of prior to the start date of the policy. It can be a diagnosed condition, or an injury or symptoms that have yet been diagnosed, whether your client has had investigations or consultations relating to the condition or not.

The full definition of pre-existing can be found in the policy document.

Pre-existing explained

nib's Easy Health product provides a quick application process, with no up-front collection or assessment of medical history.

When your client submits a claim, part of the assessment involves a review of the history of their condition.

It's important that your clients are comfortable with the terms of any pre-existing conditions on Easy Health, before they sign the declaration on the application form. Although we don't ask for medical history at time of application, this should form part of your needs analysis and is a great way of showing your clients the value of having cover for many pre-existing conditions, some of which would never be covered on other insurance products.

Pre-existing conditions and Easy Health Cover

CAUSATIVE LINK

The important thing to remember about pre-existing conditions is that there needs to be a connection between the pre-existing symptoms and the reason for the treatment that is being claimed for.

We call this a "causative link". It's our responsibility, as the insurer, to show that this link exists and we do this by assessing the medical records. There are recognised disease and disorder patterns and if there's no evidence of causative link, then cover can be provided for the claim, in line with the policy terms and conditions.

Cover after the wait period

The main advantage of Easy Health and the non-PHARMAC Plus Option is that even if a causative link can be established or is clearly evident, your clients can claim for many pre-existing conditions after 3 years. If you know what pre-existing conditions your client is concerned about, you can provide guidance around what might be covered.

There are some exceptions, for example there is no cover for pre-existing conditions under the Serious Condition Lum Sum Option and there are also general exclusions on the policy. Check for things like congenital conditions (present at birth or diagnosed by the age of 4 months from birth), sleep disorders (snoring, sleep apnoea), psychological/developmental or behavioural conditions, conditions treated by dialysis or transfusions (the condition may be covered, but the transfusion itself wouldn't be).

General exclusions can be found in the policy document.

Congenital conditions

For the purposes of Easy Health, a congenital condition is specifically defined. This refers to a health anomaly or defect, which is either present at birth, or has a confirmed diagnosis within the first 4 months of life.

Congenital means that it's a condition present at birth. Congenital conditions can be inherited from parents (hereditary), caused by a gene fault (genetic) or caused during the development of the foetus. For more than 50% of congenital conditions, the cause remains unknown or suspected but not confirmed by science.

If your client has a congenital condition that was diagnosed within 4 months from birth, there would be no cover for future claims for that condition. If the condition was diagnosed after 4 months from birth, but before the start date of the policy, it would be considered under the policy as a pre-existing condition and would be covered after the waiting period is over, subject to a couple of terms explained next* and the usual policy terms and conditions.

Some congenital conditions are not diagnosed until later in life, and can be without symptoms for years. If your client had no signs or symptoms of a congenital condition prior to the start date of the policy, we wouldn't consider this to be pre-existing – and cover may be provided*.

*If the condition was recognised as an inherited genetic condition or a chromosomal disorder, it would be reviewed on a case-by-case basis. A more in-depth assessment by us may be required to evaluate what the client knew about the risk of developing this condition prior to starting the policy. Congenital conditions are only considered chromosomal or hereditary if this has been proven medically. For this reason, it's important to understand if there are genetic or hereditary conditions in your client's family history.

Easy Health Case Study

NAME: Dave
AGE: 52

PRE-EXISTING CONDITION: Shoulder injury prior to taking out Easy Health.

BACKGROUND: Shoulder injury involved surgical repair through an arthroscopy and rotator cuff repair. Under an underwritten policy the shoulder joint would more than likely have been excluded from cover at the time of application.

Five years after taking out Easy Health, the joint had deteriorated leading to pain, loss of movement and function in the joint. This impeded Dave's everyday life and as the shoulder worsened it was recommended that Dave have a shoulder replacement.

EASY HEALTH CLAIM: Shoulder replacement surgery

As Dave had passed the 3-year waiting period for pre-existing condition cover, he was able to proceed with his surgery. If Dave had taken an underwritten cover, he may have been permanently excluded from coverage.

Permanently excluded pre-existing conditions

There are some pre-existing conditions and some treatments that are never covered under the Easy Health policy. This includes those listed under general exclusions.

Hip, knee and/or back

If your client has had a known condition or any symptoms relating to their hip(s), knee(s) or any part of the back prior to the start date of the policy, they will not be able to claim for anything connected to those symptoms. This doesn't mean they have no cover at all for these areas of the body. There needs to be a causative link to what they are claiming for and the symptoms they had prior to starting the policy.

Let's look at a couple of examples:

- Your client has had a twisted knee prior to taking out cover. If they had to have treatment in the future for this, they wouldn't be able to claim. However, if they needed a knee replacement due to osteoarthritis, and there were no signs of this prior to the policy starting, they would be able to claim.

- Your client has a back strain prior to joining. Investigations showed that it was muscular in nature and there were no problems with the spine or nerves. After taking out an Easy Health policy, they experience a non-ACC related herniated disc which requires surgery – there's no causative link between the back strain and the disc disorder, so we can provide cover for the surgery.

So, as you can see, having pre-existing conditions or symptoms relating to the hip(s), knee(s) or back doesn't mean all future conditions are not covered, there needs to be a link between them.

Reconstructive or reparative procedures or surgery

This exclusion is specific to procedures or surgeries that have occurred prior to the start date of the policy. This means if the procedure or surgery that has occurred in the past needs to be repaired, or is required to restore function or appearance, this wouldn't be covered.

Reparative surgery, means repairing, and would be surgery or a procedure that is required to fix something caused by the original surgery including things like scar revision surgery or treatment. For example, a customer prior to taking out the Easy Health policy had a caesarian section. After taking out the policy, she needs to have surgery for abdominal adhesions relating to the original caesarian section procedure. This would be not be covered as it would be considered reparative surgery.

Cancer

Cancers are very complex conditions, and probably the main concern for a lot of clients.

Not all cancers are excluded and therefore understanding this benefit is very important.

Permanently Excluded cancers

If your client has had cancer diagnosed and/or been treated for cancer in the past, there would be no cover for that type of cancer or any secondary cancer linked to it. Cancer does include soft tumours such as leukaemia and lymphoma. For example, if a customer had breast cancer in the past, and the same cancer returned – there would be no cover. If they developed a secondary cancer – referred to as metastatic cancer – this would also be excluded.

Cancers with no causative link

If your client has had cancer in the past and develops a new unrelated cancer and we can establish no causative link between the cancers being claimed for, they would be able to claim for this. Specialists know through specific testing of the cancers whether or not they are connected, or they are separate cancers – and we use this information to make our assessments.

Cancers and pre-malignant lesions that may be covered

Waiting periods may apply for cancers and pre-malignant lesions that may be covered. There are some cancers and pre-malignant lesions (conditions that have the potential to develop into cancer) that we treat differently. There are examples of these in the policy document and are covered in more detail later in this guide.

Transplant surgery

This one is simple, there is no cover under the policy for transplant surgery when there is a causative link between the reason for the surgery, and a pre-existing condition.

Cardiovascular

We have split the terms relating to cardiovascular conditions into two parts:

1. Cardiovascular conditions relating to pre-existing conditions or symptoms; and,
2. Cardiovascular risk factors

Understanding what we mean by cardiovascular

For the purposes of the Easy Health product, cardiovascular relates only to the heart, the heart valves, or arteries. As we refer to the heart, valves, and arteries as cardiovascular we would not consider disease or disorders of the veins to be cardiovascular. Pre-existing conditions such as varicose veins would be covered after 3 years if they require treatment

Cardiovascular pre-existing

This means if your client has had any conditions or symptoms that affect the heart, heart valves, or arteries then the condition and any complications due to the condition are not covered. Again, we would need to prove there was a link between the pre-existing condition, and any claim that was submitted in the future.

Examples of these conditions would be heart failure, angina, heart attack, rheumatic valve disease, aneurysms or blood clots in the arteries.

Cardiovascular risk factors

These are factors that increase the risk of someone developing cardiovascular problems in the future. If your client has any of the following criteria, we will not cover any cardiovascular problem in the future. This is the only time we do not need to prove a link between the risk factor and the claim. As it is important that these criteria are checked with your client and that this forms part of your needs analysis with them, we'll explain them further.

Remember, cardiovascular means heart, valves and arteries, not veins and capillaries.

Cardiovascular risk factors (continued)

The following cardiovascular risk factors, if present at the time of application, will result in cardiovascular conditions being permanently excluded under an Easy Health policy. We do not have to prove a causative link exists:

Diabetes

If your client has pre-existing diabetes, of any type, you need to check how long they have had it for. If they have had it for over 10 years, they will not have any cardiovascular cover.

If they have had diabetes for less than 10 years, you need to check if they have had either high blood pressure or high cholesterol in the last 3 years. If they have, it's advisable to get them to check with their GP as to their readings over the last three years. If the average blood pressure reading works out as 170/100 or less, and/or the cholesterol result is 9 mmol/L or less, then this won't affect their cardiovascular cover.

It's worth noting that the most common types of diabetes are covered after the waiting period, regardless of whether it affects their cardiovascular cover.

There are some rare forms of diabetes that are congenital or proven to be genetic conditions, such as neonatal diabetes, Wolfram syndrome and Alstrom syndrome – these conditions would be permanently excluded under the general exclusions. Type 2 diabetes can be caused by obesity (which would be excluded under the general exclusion conditions) and fat distribution, this is thought to be the leading cause – however, there are other risk factors which mean cover for Type 2 diabetes can be provided.

BMI (Body Mass Index)

Knowing your client's BMI, and their BMI during the last 3 years, is an important part of your needs analysis. BMI is a measurement of their weight (in kgs) divided by their height (in metres) squared. There are several BMI calculators available online.

If your client has had a BMI over 30 at any time in the 3 years prior to taking out the policy, there will be no cover for cardiovascular conditions. The best way to check this is to ask what their heaviest weight would have been in the last three years, and use this to calculate the BMI. You are not looking for the average over 3 years, but the highest.

HDL (High Density Lipoprotein) ratio

HDL is a specific cholesterol measurement. HDL ratio is a measurement of their HDL against their total cholesterol result. It forms part of the testing for anyone being monitored or treated for high cholesterol. If your client has been having these tests, it's best to ask them to obtain the last 12 months fasting cholesterol test results from their GP (this can often be done over the phone). To work out the average, just add all the results together and divide by the number of results. If the result is 5.5 or under, this will not affect their cardiovascular cover.

These conditions do NOT fall under the permanently excluded category of pre-existing conditions.

Skin Cancer - BCC & SCC

One in every 3 cancers diagnosed in the world is a skin cancer, with BCC (basal cell carcinoma) the most common and SCC (squamous cell carcinoma) being common but less frequent than BCC. Their names refer to the layer of the skin that is affected by the cancer. It's very rare for the same BCC to spread to another area of the body, and although an SCC can spread, it's also uncommon.

For Easy Health, if a client has had a BCC or SCC in the past, we wouldn't cover any claim related to that specific BCC or SCC during the waiting period. If they developed one somewhere else on the body, we are likely to cover that new cancer.

For example: A client has a BCC removed from their face prior to starting their policy. If this BCC came back in the same place on their face it wouldn't be covered during the waiting period. However, if they develop another BCC on their arm, it is not considered to be pre-existing and there is no waiting period before they can claim.

There are some conditions that can affect this exclusion. If your client has had several skin cancers, there may be an underlying cause such as Bowen's disease (relates to SCC), Xeroderma pigmentosum (relates to all types of skin cancer) or Nevoid basal cell syndrome (Gorlin-Goltz syndrome). If this is the case, it's always worth checking with us – some of these are genetic conditions, and therefore there would be no cover. Others are not proven to be genetic in nature, and therefore we wouldn't cover any BCC's or SCC's until after the waiting period was met.

Melanoma in-situ

Melanoma rates are much lower than BCC or SCC, but New Zealand still has a high rate of skin cancers, compared to the rest of the world. The exact cause is unknown but exposure to UV light is thought to be the leading cause. You can develop melanoma in areas of the body that don't usually experience high exposure to UV light – this is why the condition isn't fully understood yet.

As with all cancers, melanoma is measured in stages. The higher the number, the further the cancer has invaded. Melanoma in-situ is Stage 0 melanoma. This means it hasn't spread from its original site. If your client has had Melanoma in-situ, and it's been treated appropriately, then we will cover any re-occurrence after the waiting period.

If they have Stage 1 or higher melanoma, this would be considered under the full pre-existing cancer exclusion, and there is no cover for any future melanomas or complications relating to melanoma.

Abnormal smear (pap) test results

If your client has had a previously abnormal smear, it's important to know the degree of the abnormality to understand how it will affect a claim. Most abnormal test results relate to pre-malignant conditions or just unknown changes, rather than cervical cancer. Your client will know whether they were diagnosed with a cervical cancer or had a finding of ASCUS, AGCUS, LGIL, HGIL, CIN 1, CIN 2, CIN 3 – these are all pre-malignant changes that are not cancer but show a risk of developing cancer if left untreated or not monitored.

With Easy Health, the diagnosis of a pre-malignant cervical condition does not mean we will not pay for treatment relating to cervical cancer, as long as the recommended treatment or monitoring of the condition was adhered to. There would be no cover for any assessment or treatment related to the abnormal test result during the waiting period but cover after then. If the client has had a diagnosis of cervical cancer, then the permanent pre-existing cancer exclusion applies.

Polyps of the bowel

There are several types of bowel polyps and not all develop into cancer. The important thing to understand is that as long as the polyp has been correctly treated, it won't affect the client's ability to claim if they develop bowel cancer in the future.

If your client has had polyps in the past, we won't cover any connected condition during the waiting period, after then there is cover – including any diagnosis of bowel cancer. If they have had a diagnosis of bowel cancer, then the permanent pre-existing cancer exclusion applies.

Easy Health Case Study

NAME: Sara
AGE: 19

PRE-EXISTING CONDITION: Endometriosis

BACKGROUND: Sara was diagnosed with endometriosis as a teenager, prior to taking out Easy Health. Under an underwritten policy the endometriosis would more than likely have been excluded from cover at the time of application.

Four years after her parents took out an Easy Health policy for the family, the endometriosis reoccurred. Now at university, Sara was experiencing pain and discomfort, particularly during menstruation. This impeded her studies as well as her social life. A surgical intervention was then recommended by her gynaecologist to correct this issue.

EASY HEALTH CLAIM: Laparoscopic surgery for endometriosis

As Sara had passed the 3-year waiting period for pre-existing condition cover, she was able to proceed with her surgery. If her parents had taken an underwritten cover, this may have been permanently excluded from her coverage.

As a result of the surgery, her lifestyle was significantly improved as she no longer had to deal with the regular pain and discomfort.

Client checklist

As part of your needs analysis when considering Easy Health, there are some questions we would recommend asking your client. You don't necessarily need to take their full medical history, but there are some items you may want to ensure you've checked and discussed with them.

- ☐ What was the heaviest you have weighed over the last 3 years? *Use this weight along with their height (supplied in application form) to calculate the BMI.*
- ☐ Have you had your cholesterol measured in the last 12 months? If so, what were the results?
- ☐ Do you have diabetes? If so, how long have you had it and what type do you have? *If it's not Type 1 or 2 you need to check for congenital diabetes.*
- ☐ If you've had diabetes for less than 10 years, what were your blood pressure/ cholesterol readings over the last 3 years? *(We recommend just calling the GP rooms and asking for these)*
- ☐ Do you have any personal history of cancer, or pre-cancer test results?
- ☐ Have you had any issues with your heart in the past?
- ☐ Have you had surgery in the past?
- ☐ Have you had any injuries in the past?
- ☐ Have you had back, hip or knee issues in the past? Do you know what the cause was? Did you have any investigations such as X-rays or MRI's? *You may need to know the results of these tests to fully understand the future cover.*
- ☐ Do you have any congenital conditions? Congenital conditions are conditions you were born with, or that were diagnosed early (within 4 months of birth).
- ☐ Are there any conditions in your family history that may be inherited, or passed through the family?
- ☐ What other pre-existing conditions have you had?
- ☐ Have you had any investigations in the past, or ever seen a specialist?
- ☐ Are there any specific conditions or symptoms you're looking to cover?

Asking these questions, when armed with the information in this document, will enable you to have confident conversations with your client on the suitability of Easy Health to meet their private health insurance needs.

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The information is correct as of July 2023 and is intended as a summary only. It should be read in conjunction with the Policy document. A copy of the Policy document is available at **www.nib.co.nz**