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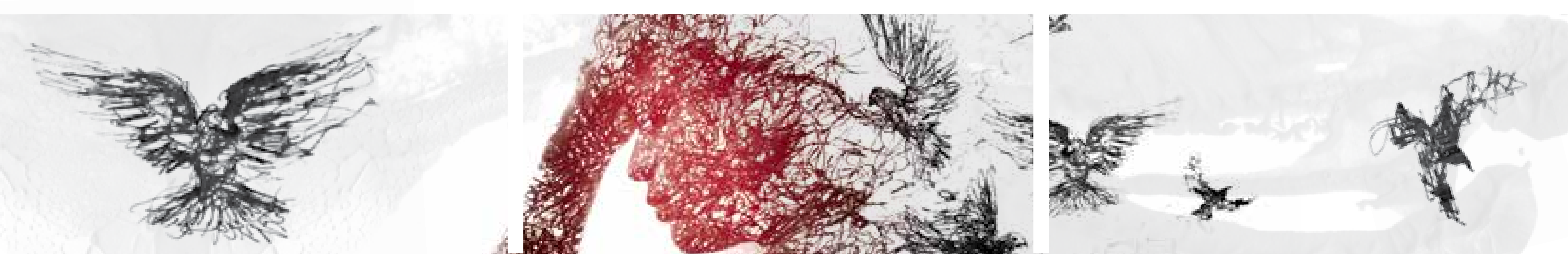
August 2020 UNDERWRITING FOCUS



Recovery Impossible? Mental Illness and Ability to Work

by Annika Luckmann, Gen Re, Cologne

Mental health is a major concern in many insurance markets when it comes to the assessment of long-term risks in Disability business. A latent fear exists of not being able to grasp the actual risk, and a danger of overestimating the real risk. If someone declares a mental health history, but wants to take out a Disability cover, how can we make sure to assess the case in a fair and non-discriminatory manner? Is it correct to assume that someone with a past illness always poses a higher risk for becoming unable to work in the future?

Most mental health problems fluctuate over time, making it difficult for the applicants to objectively present their current status and enable the underwriter to estimate the risk profile efficiently. In a general practitioner report, we will also only see snapshots of the course of illness, mainly focusing on the lowlights. Reports may be old, written swiftly without including neuropsychological testing, or could depict the applicant in a too favorable light. Another issue is the absence of a diagnosis according to DSM or ICD standards, leaving the underwriter with a list of random symptoms – such as sleep problems, fatigue or low mood – that do not paint a picture clear enough to underwrite the application efficiently.

Mental health disorders can have a serious impact on functional and working ability and they may also develop into long-term disability. But the myth that people with mental health problems will never recover and for the rest of their lives stay on Disability benefits needs to be challenged.

Mental health in the workplace

We know from research that people reporting a mental health issue experience more difficulty going to work (up to eight times higher),[1] and that they are twice as likely to leave their job, eventually. People suffering mental health issues often experience discrimination by their employer, making it again more likely to leave a job, or not return after a time off work due to mental health issues. Work itself can create mental health issues, as we know from a plethora of cases where stress and burnout are mentioned in the context of mental illness. Even though burnout is not a medical diagnosis, we have to keep in mind that the work environment can have a major impact on someone's well-being.

Underwriting mental health

Taking the most common mental health diagnoses, we currently use three risk levels: low risk, medium and severe risk diagnoses. Low risk is characterised by

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a standard rating after a short period of time (e. g. two years) as recovery and return to work statistics are rather positive, while medium risk illnesses will always have a substandard rating, mirroring a higher risk of disability in the foreseeable future. Lastly, severe risk illnesses are characterised by exclusion clauses instead of a substandard rating and are mostly based on diagnoses that are known to pose a great risk of disability and unemployment.

Naturally, individual cases with the same diagnosis differ in risk, and that is why we strongly encourage the approach of looking at the applicant's history as a whole, not just the diagnosis. Factors such as a stable work environment, a net of supportive social contacts and good compliance with treatment should be taken into consideration. Negative factors, such as drug addiction, brain trauma and poor coping and compliance should be seen as rather unfavourable. It is important to ask the right questions at the application stage, so efficient risk assessment can take place. In our approach to categorising risk levels by diagnosis, we therefore have diagnoses, such as depression, that do not fit the scheme of one-size-fits-all. Depending on the severity of the illness and the clinical picture of the applicants, the same diagnosis can lead to very different risk levels.

What do we know about the chronicity of mental health issues?

While there is a stigma surrounding mental health as being a lifelong issue, many common mental illnesses have a very good recovery rate. Recovery refers to the process in which people are able to live, work, learn and participate fully in their communities.[2] Let's have a look at three of the most-seen diagnoses in underwriting and their difference in prognosis, chronicity and risk for disability.

> *Negative factors need to be weighed against positive factors*

Depression

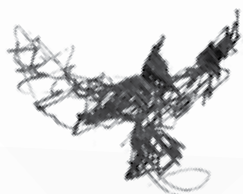
While it is true that someone suffering from depression has a lifelong chance of relapsing (50% chance of a relapse after first episode, up to 85% after a second episode),[3] we also know that recovery is possible and a disability is not always a given. Furthermore, the rates of relapse correlate with such factors as severity of the illness, compliance with treatment and time of first episode. Patients who have been experiencing depressive episodes since adolescence have a less favourable risk than someone who experiences a first episode in adulthood, and the first episode may even be triggered by a specific event instead of an idiopathic onset of illness. This, however, does not mean that someone suffering from depression since his or her teenage years is a definitive claimant later in life. Many patients live fulfilled lives and sustain a fulltime job, despite having a long-lasting history of depression. Very little data on relapse rates due to stress or burnout in patients can be found, as burnout is not a mental health diagnosis, but a symptom that can lead into depression if not taken seriously.

Schizophrenia

Another diagnosis mentioned often in the context of underwriting is schizophrenia. While both depression and schizophrenia can appear in wave-like fluctuations, schizophrenia more often runs in a chronic manner. In active episodes, symptoms include hallucinations and delusions, distorted behaviour, problems concentrating and organising daily life, as well as a flattened affect. Schizophrenia leads to a total or partial disability of 70% of all patients,[4] placing it in the severe risk group for underwriting purposes. As two-thirds will experience a first episode before the age of 30, the risk will most likely be disclosed in the application process.

Autism

Contrary to such disorders as depression and schizophrenia, which first surface later in life, autistic children will display symptoms early on in life. Autism spectrum disorder is mentioned in both the ICD and DSM as a neurodevelopmental disorder; however, it can be argued that instead of an illness, it is simply that an autistic brain processes information in a different manner than a neurotypical brain does. When it comes to underwriting risks, the actual clinical picture of the applicant plays a major role. Autism is a highly heterogeneous diagnosis with people being able to live successful, happy and fulfilled lives on one end of the spectrum and, on the other side of the spectrum, are others requiring assistance in daily life and suffering from cognitive impairments. This also affects their risk of becoming disabled due to autism. Four in ten autistic people report that they have never worked, while only 32% of autistic people in the UK are working (part-time and full-time combined).[5] This low number, however, does not need to truly reflect disability in this group. Autistic people may require more attendance and services



than other employees but can hold a job without an issue once the circumstances fit their needs.

Conclusion

We have to acknowledge that the question of future disability for someone disclosing a history of mental health issues is not easily answered with a yes or no. Mental health is a rather multi-layered topic, and risk assessment therefore has to focus on a great multitude of elements. In a perfect world, we would get an elaborate clinical report about the applicant, including a diagnosis based on established criteria; we would be able to assess favorable risk factors – such as social support, employment patterns, compliance with pharmacological and psychological therapy – and get a glimpse into unfavorable factors, such as co-morbidities, alcohol and drug use and coping skills of the individual. But even then, the question about future Disability claims cannot be answered as a definite yes or no for all mental health issues. We must keep in mind that mental health includes a wide spectrum of diagnoses and each diagnosis is again branched into different severities and thereby into different risks. There will be applicants with a history of stress-related symptoms who might have changed their lives to decrease stressors and thereby pose a minimal risk for disability. There will be applicants with a diagnosis of moderate depression in their file, who haven't had an episode for years and go to weekly counseling sessions, again minimising their risk of relapse significantly.

Assessing mental health risk will always be tricky and requires a good understanding of psychiatry and psychology. To make this rather complicated assessment journey more intuitive, we rely on data pools and statistics about relapse, workability and long-term prognoses. With the help of evidence-based guidelines, we hope to enable underwriters to use the risk level approach to take out the guesswork. No doubt that mental health issues impact the ability to work, but the extent of it will always depend on more than just the diagnosis and the ICD code attached to it. It's time to fight the myth that people with mental health problems still endure around the world. Depending on the specific risk profile, an individual can have a good chance of leading a stable, active life with reintegration into work.

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Endnotes

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