

## Does Income Protection pay for Stress?

Most income protection plans don't have any standard exclusions for mental health. Yes, a pre-existing condition or recent symptoms might lead to an exclusion once underwritten, but most plans don't exclude where there have been no previous disclosures.

Whilst this means the potential to claim on income protection is vast, it's vital that intermediaries, relevant insurance staff and most importantly customers, are aware of what they can claim on and what they can't - especially when it comes to mental health. This is especially important given that claims statistics from all the major insurers shows us that mental health issues continue to make up a large proportion of paid IP claims.

All insurers will correctly say that claims are treated individually on their own merits. With mental health particularly, whether it is a valid claim depends on things like severity of symptoms, impact to daily function, impact to ability to work, response to intervention and previous history.

There are several principles that apply across all claims, including those for stress:

- Unlike Critical Illness, there is not a specific set of illnesses or events that are covered by an IP policy. An IP claim is not accepted or declined according to a diagnosis. The decision is based on whether the symptoms caused by the condition prevent the claimant from completing the material duties of their occupation. This means insurers can't say that stress is or isn't covered, in the same way they can't say all back pain is or isn't covered. The validity of the claim is dependent on evidencing the lack of functional capacity, not by the label given to the illness or injury.
- Stress itself is not a medical condition, as we all suffer from varying degrees of stress every day. Claims assessors will want to understand what symptoms the stress is causing, how this is impacting on day-to-day function, and how these impact the ability to work within the insured occupation.
- Having a doctor's note / sick note confirming absence does not automatically mean an IP claim is valid. With ongoing NHS pressure, doctors will often not have the time to fully question what is preventing the individual from working. The role of the Claims Assessor is to investigate the details of the absence and holistically assess and manage the claim.

Assessors will consider the following factors:

- What symptoms are being experienced, how do these manifest, how long have they been impacting the individual and what treatment and support has been suggested?
- How these symptoms prevent the occupation being carried out? For example, stress due to overwork leading to exhaustion.
- Do they have a lot of additional stressors (e.g. poor relationship, issues in the workplace) and medical conditions that are the primary barriers and if these can be removed or reduced to help the individual return to work. For example, issues in the workplace can often be specific to a particular employer (e.g. a disruptive pupil in a classroom or a poor relationship with a colleague). The absence from work may not be related to an underlying illness, but rather to the situation and environment.

Whilst most mental health claims are paid, it is important to understand that as mentioned above, there are areas relating to mental health where insurers might view issues as symptoms rather than conditions. This doesn't mean a claim won't be considered, but it likely means that the assessors will need to see more evidence on what is keeping the individual from working. The below shows what are most likely and least likely to result in a successful claim:

## **Mental Health Conditions**

Where the evidence shows that someone can't work due to this condition, claims are likely to be paid:

- Bipolar disorder
- Personality disorder
- Psychosis
- Schizophrenia
- Post Traumatic Stress Disorder
- Depression
- Generalised Anxiety Disorder

## **Reactive Events/Symptoms**

These are more likely to be viewed as symptoms. Whilst it doesn't mean a claim won't be paid, it's likely that insurers will need to explore much deeper to ascertain why it's preventing someone from working:

- Stress (e.g. work related)
- Being anxious
- Isolated panic attacks
- Grief
- Bereavement