



# Rescissions and Fraud

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**Long-Term Care International Forum**

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# RESCISSIONS

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- How are cognitive cases handled?
  - Appears cognitive questions on application were not answered appropriately
  - Claim is filed 25+ months after the application date
    - How can misrepresentation be proven based on application omissions?
    - Was information omitted because applicant was not aware of the diagnosis or because of the diagnosis?
- What are the most common indicators of potential misrepresentation on an application?



## SCENARIOS

### HOW DO YOU HANDLE?

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- Husband and wife both on claim
- Share caregiver?
- Each have their own caregiver?
- Use one policy for both (misrepresent services)?





## SCENARIOS

### HOW DO YOU HANDLE?

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- 61 year old
- Both assessment and insured's prominent doctor certify ADL loss
- Surveillance shows insured is independent
- Live-in caregiver not present during surveillance or assessments
- Caregiver confirms services during interview
- Insured pays caregiver in cash





# SCENARIOS

## HOW DO YOU HANDLE?

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- Tipster/whistleblowers
  - Frequency?
  - Credible?





## WHAT ARE YOU SEEING?

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- Rings?
- Key triggers?
- Multiple policies with one or more carrier(s)?



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**QUESTIONS?**