**NATIONAL CONFERENCE OF INSURANCE LEGISLATORS**

Resolution IN SUPPORT OF AMENDING THE NAIC UNIFORM ACCIDENT AND SICKNESS POLICY provision LAW

# *Adopted by the NCOIL Health Insurance and Executive Committees on March 2, 2001.*

# *Amended by the NCOIL Health Insurance and Executive Committees on February 21, 2003.*

WHEREAS, the National Association of Insurance Commissioners (NAIC) Uniform Accident and Sickness Policy Provision Law prior to June 10, 2001 stated that, "The insurer shall not be liable for any loss sustained or contracted in consequence of the insured's being intoxicated or under the influence of any narcotic unless administered on the advice of a physician;" and

WHEREAS, the NAIC has adopted amended language that states that provision "…may not be used with respect to a medical expense policy," and which further defines "medical expense policy" as "…an accident and sickness insurance policy that provides hospital, medical and surgical expense coverage;" and

WHEREAS, more than 30 statesand the District of Columbia currently have the original provision in their insurance codes, and four states have provisional restrictions on the coverage of alcohol or drug-related injuries; and

WHEREAS, this law was promulgated by the NAIC five decades ago, when effective treatment for alcohol problems was generally not available, and predates the development of regional trauma centers; and

WHEREAS, studies demonstrate that 35-50 percent of injured patients treated in emergency departments and trauma centers are alcohol and/or drug intoxicated; and

WHEREAS, this law provides physicians and hospital administrators with a strong financial disincentive to screen patients for substance abuse problems, resulting in less than 5% of trauma patients screened for alcoholism and provided with the necessary counseling; and

WHEREAS, insurers are already currently paying for the treatment of alcohol-related injuries because they cannot identify which patients are intoxicated, since emergency departments and trauma centers generally do not screen for intoxicants; and

WHEREAS, actuarial analysis demonstrates that routine implementation of alcohol screening and intervention in trauma centers will result in an estimated five year net national savings of $327,250,000 in direct medical costs; and

WHEREAS, having been written fifty years ago, the Uniform Accident and Sickness Policy Provision is anachronistic because it fails to take into account research gathered in subsequent decades that has led to a redefinition of alcohol abuse and dependency as a chronic illness that is responsive to treatment; and

WHEREAS, the law also fails to take into account the current existence of regional trauma centers; and

WHEREAS, in order to respond to the aforementioned concerns, the NAIC amended the Uniform Accident and Sickness Policy Provision Law; and

NOW, THEREFORE, BE IT RESOLVED THAT NCOIL supports the amendment with respect to medical expense policies; and

BE IT FURTHER RESOLVED THAT NCOIL supports the repeal of such exclusion and restriction provisions with respect to medical expense policies in the jurisdictions that have them.

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