



# Introduction to MIB

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## Objectives

- Review the history of MIB and its role in fraud detection.
- Review the services provided by the Medical Information Bureau (MIB)
- Discuss obligations and procedures for accessing and reporting information to the MIB
- Discuss responsibilities and procedures for addressing disputed and inaccurate information on record at the MIB

## History

- 1902
  - Created by medical directors
  - Governed by a sub-committee of the Association of Life Insurance Medical Directors of America (ALIMDA) to 1945
- 1946
  - Became unincorporated association under New York law
- 1978
  - MIB incorporated

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## MIB Group, Inc.

- 1999 MIB Group, Inc.
  - Holding Company with two subsidiaries
    - MIB, Inc.
    - MIB Solutions
      - Initially e-Services Corp, renamed in 2006



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## MIB Group, Inc.

- Membership corporation
  - Owned by ~450 member insurance companies
    - In US and Canada
  - MIB has not been capitalized through the issuance of stock
    - MIB has no shareholders
    - MIB's members are the ultimate beneficial owners of the corporation

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## Services

### MIB, Inc

- Fraud Services
  - MIB Checking Service (MIB)
  - Plan F Follow Up Service (PLF)
  - Insurance Activity Index (IAI)
  - Disability Insurance Records Service (DIRS)

### MIB Solutions

- Actuarial & Statistical Services
  - Life Statistical Services
  - Audit Focus
  - Risk Analytics
    - MMLC
    - Mortality studies
  - Policy locator for consumers



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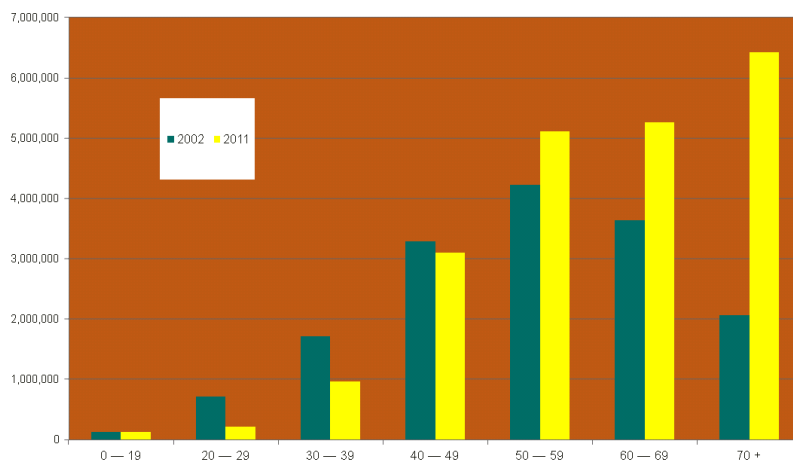
# How Much Information?

- 2011
  - 13.8 million MIB Searches
  - Over 3.6 million new reports added to the Checking Service database
- Currently
  - 80,000 transactions processed each day
  - 28% - Average Checking Service reply ratio
  - Over 44 million codes in the database
    - On over 24 million individuals
    - (Codes currently drop after seven years)

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## Changing Demographics

### Aging Applicants

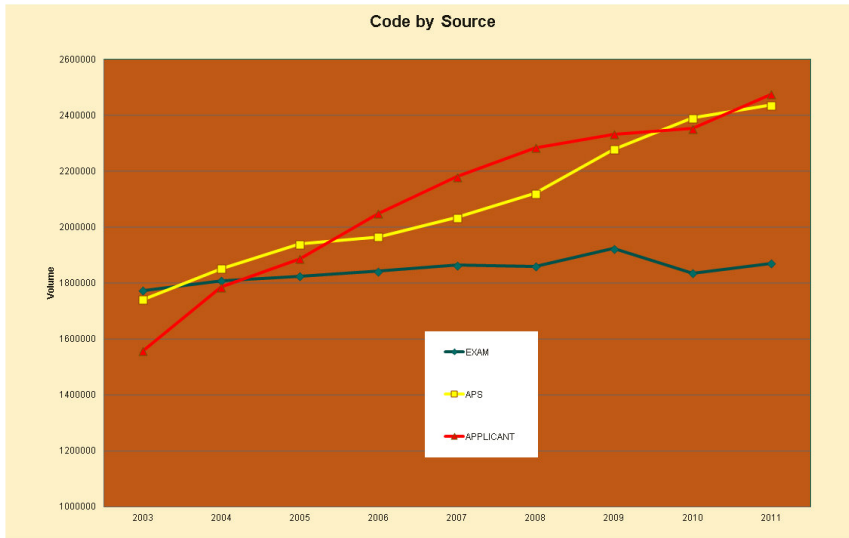


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# SOURCE LETTERS

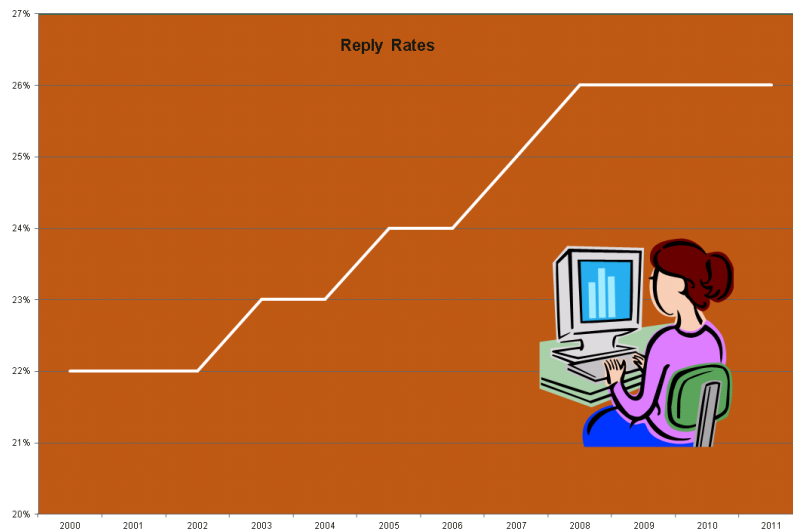


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# Growing Reply Ratios



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## MIB Filter

- MIB codes can be filtered to include or exclude codes in reports

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## Fraud Detection

- MIB protects against fraud
  - Life, health, disability income, critical illness and long-term care insurance
- MIB has confidential information
  - Reported by participating companies
  - Pertinent to health and longevity
  - Obtained from underwriting
  - No decisions, ratings, claim decisions, health claim info
- MIB codes are alerts only

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## Confidential and Protected

- MIB is a nationwide specialty consumer reporting agency
  - Governed by the Fair Credit Reporting Act (FCRA)
  - Enforced by the Federal Trade Commission
- Other privacy laws are applicable
- Each participating company must have a medical director
  - Medical director or their designee are responsible for meeting MIB requirements including coding, confidentiality, and disputed accuracy

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## Requesting MIB codes

- Only available to participating companies
- Required for requesting or obtaining MIB report
  - All three must be obtained
    1. Pre-Notice furnished to the applicant
    2. Signed application with health/medical declarations
    3. Signed MIB authorization
      - Electronic signatures can be used as appropriate
- MIB reports cannot be obtained
  - Trial applications
  - Inquiry (isolated)
  - Evaluating a potential client

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## Post-Notice

- Written notification is sent to client that an MIB report resulted in an investigation that led to an adverse action
  - Rule C<sub>4</sub>
- An applicant must be given a written Post Notice when all of the following occur:
  1. Any (applicable) information was received from MIB, and
  2. The information was used to alert to the possible need for further investigation of the applicant's insurability as required by Rule D.4.(a), and
  3. The application for insurance was rated or declined (or postponed) in whole or in part because of (information obtained from) that investigation


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## Resources

- MIB coding manual
- Member Handbook and Directory
- MIB Primer
  - 80 pages
- MIB Training Program
  - Computer: Slides & audio
- KnowledgeNow
  - Restricted online access

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 **MIB Training Program**  
Online Learning Module


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 **2012  
MIB Primer**

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## MIB Coding

- Coding manual is confidential and proprietary
  - It cannot be reproduced in manuals or other publications
    - This helps to keep the coding confidential
  - It is a useful resource
    - E.g. the ekg section has useful coding information
- MIB coding helps to protect the confidentiality of the personal information submitted

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## Reporting MIB Codes

- Conditions that are significant to health and longevity
  - Using information obtained by the company
    - Application
    - Testing: paramedical exam, blood, urine, OFT, etc.
    - Medical records
- Don't report information obtained (and reported) by another insurance company

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## MIB Codes Are Alerts

- MIB codes are used to detect possible fraud
- MIB information is an alert
  - Information must be obtained by the company to support the decision
  - An adverse action (declined, rated, postponed) must not be based solely on an unverified MIB report without an independent investigation

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## Example 1

- 54 year old male
  - Application: nothing significant admitted
  - All requirements for MIB report completed
  - Paramedical examination by age and amount rules
    - Very elevated blood pressure
  - MIB code positive for significant medical history (not hypertension) that is not admitted on the application or revealed otherwise
- Do you need more information for the MIB code?
  - D4a
  - If you would decline based on the bp readings (regardless of the MIB code) then you can decline
  - If the MIB code could materially change the decision you must investigate the code unless you choose to ignore the MIB code
    - You do not have to investigate a MIB code if you choose to not use it
      - You must be able to defend that you would have reached the same decision/taken the same action if you had not had the MIB code

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## Example 2

- 43 year old female
  - Application: nothing significant admitted
  - All requirements for MIB report completed
  - MIB code for medical condition that you consider very significant
  - You investigate appropriately: find nothing significant
    - Appropriate investigation is reasonable effort to obtain information alerted to by MIB code
      - This could be medical records, paramedical exam, blood urine or oral fluid testing
- What action can you take?

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## Example 2 continued

- You can request details and information from the company that reported the MIB code

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## Requesting Code Details

- What if you are unable to confirm MIB codes?
  - Options
    - Request details from reporting company
      - Examples
        - Drug test results when drug test (your company performed) is negative
        - Medical records or the source of the medical records
        - Reporting company decides what they will share
          - Could share the contact info of source, the medical records or nothing
    - If getting info from other company or source unsuccessful
      - Have the applicant request disclosure of their MIB record and the applicant can send it to you
        - This puts the responsibility on the applicant
        - And gives the applicant the opportunity to correct the MIB code if it is not accurate

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## Disclosure & Disputed Accuracy

- Individuals can contact MIB to get their MIB report if one exists
- Consumers can request their MIB records
  - MIB responds within 15 days
  - 2010
    - About 19,000 completed requests
      - 2.4% resulted in a dispute.
      - 1.5% required changes to original report

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## Disclosure & Disputed Accuracy

- When a consumer disputes their MIB record
  - MIB asks reporting member company to investigate
  - Reporting company must confirm accuracy
    - Member company reviews underwriting file to ensure coding was accurate and complete
      - If inaccurate, make code correction, delete or supplement the code
      - If review of the underwriting file is not sufficient to resolve the dispute, you must use reasonable effort to contact the original source of information
      - If requested by the consumer, you must use reasonable effort to contact information sources that they provide, e.g. another physician
      - If individual still disputes code accuracy, they can file a statement of dispute with MIB

ERROR: ioerror  
OFFENDING COMMAND: image

STACK: