

FLMI COURSES FOR PHYSICIANS

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"YOU have to see more than just the medical view. You need a balanced picture of all the factors that go into an underwriting or a claim judgement," says Warren Kleinsasser, MD FLMI, Insurance Medical Director at Osborne Labs in Olathe, Kansas. "You may end up with a poor decision if you can't interpret the medical data in conjunction with other information - financial information, actuarial projections of various types of disorders, and many other factors."

Dr. Kleinsasser is one of many insurance medical directors and staff physicians who have found FLMI courses to be valuable in their practice of insurance medicine. FLMI stands for Fellow, Life Management Institute, and is a professional designation earned by completing ten insurance-specific, university-level courses sponsored by the Life Office Management Association (LOMA). The courses cover a wide range of subjects, including:

- principles of life and health insurance
- insurance company operations and functions
- legal aspects of life and health insurance
- marketing of insurance products
- management skills and effective communication
- information management systems for insurance
- accounting, economics, investments, and actuarial calculations.

In fulfilling the medical department's responsibilities in insurance medicine, physicians have discovered that FLMI courses prepare them to understand specific aspects of their responsibilities. Frederick S. Geist, MD FLMI, serves as Medical Director at Optimum Reinsurance Company in Dallas. Dr. Geist says that earning the FLMI designation has not only "broadened my knowledge of the non-medical aspects of insurance business,

but has enhanced my understanding of the details. For example, in using table ratings of substandard risks, I know now that there are actuarial aspects that I would not have perceived as a physician."

Dr. Geist feels that FLMI courses gave him "a better grasp of the extent to which certain risks are substandard and how this is reflected by increases in premium." Further, FLMI study enabled Dr. Geist to understand the perspective of other employees in the insurance company, ranging from agents to marketing people. "It's easy for people in underwriting and claims to have a fairly narrow vision of what goes on in insurance transactions," he says. "Understanding the perspective of marketing people and agents lets you get a better idea of what they go through in developing medical information."

Regular attendance at meetings of the North Texas FLMI Society has enabled Dr. Geist to interact socially and professionally with other FLMIs. "These are people you enjoy talking technically with, but whom you don't often see," he says. "I'm very glad that I took the FLMI courses and became certified as an FLMI, because having the broader perspective certainly helped me to function better as a medical director."

The benefits of FLMI study for medical practitioners also include gaining an understanding of contract law and the concept of agency, as well as appreciating the legal basis for essential insurance functions. In helping to protect an insurer from unwise decisions and actions, a physician who understands the legal ramifications of insurance contracts is well prepared to take wise courses of action.

Moreover, FLMI courses enable a practitioner to develop useful skills in planning, problem solving, and decision making. The courses explain the necessity for and operation of effective information systems, thereby enabling medical personnel to make productive use of their companies' systems.

Financial accounting fundamentals relevant to the insurance industry are included in one FLMI course. The study includes an explanation of insurance accounting used for claim and contract settlement, along with detailed information on insurers' treatment of capital and surplus, internal control, cost accounting, and auditing. These concepts are central to the financial health of

every insurance company and are important to medical directors' financial planning and record-keeping.

The FLMI courses in economics, investments, and mathematics of life and health insurance prepare medical practitioners to distinguish the benefits and liabilities of investments and to measure investment risk/return ratios. Understanding how to manage one's own investment portfolio is also enhanced by the knowledge available in FLMI studies.

All in all, FLMI courses have proven valuable to many professionals, including physicians and other medical practitioners engaged in insurance-related practice.
