

**Health Insurance
MIS 262
One Semester Credit
University of Montana
School of Business Administration**

Instructor:

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Mission Statement:

The University of Montana's School of Business Administration is a collegial learning community dedicated to the teaching, exploration, and application of the knowledge and skills necessary to succeed in a competitive marketplace.

Course Description:

This course will examine the various methods of providing health insurance coverage in America. The state and federal workers compensation, Social Security, Medicare, and Medicaid programs provide a platform for adding private insurance coverages. We will see why group health policies dominate over individual health policies. We will study the underwriting process as well as the specific policy provisions found in both individual and group policies. The course will take an historical approach by following the changes in the health insurance industry over the last century.

Course Objectives:

The course objectives are to: (1) create an awareness of the deficiencies in the minimal health insurance programs; (2) examine the various methods of using private insurance to supplement the government health insurance programs; and (3) examine the federal and state legal environment which serves to regulate the health industries to provide choice, a degree of uniformity, and consumer protection.

Course Format and Method of Evaluation:

Students are graded on the basis of the following:

- A chapter quiz will be given after each of the 19 chapters.
- A comprehensive final course exam will be given after Chapter 19.

Academic Integrity:

Academic misconduct is subject to an academic penalty by the course instructor and/or a disciplinary sanction by the University. *Any students found engaged in academic dishonesty will, at a minimum, receive an F for the course.*

Text:

Life and Health Insurance, by Americasprofessor.com

Course Coverage and Readings:

- 1) **Introduction to Insurance**
 - Risk
 - Risk management
 - Self insuring
 - Types of Insurers

- 2) **Social Security and Workers Compensation**
 - Social Security
 - Who pays for Social Security
 - Who is covered by Social Security
 - Calculating Social Security benefits
 - Workers Compensation and its relationship to life and health insurance

- 3) **Underwriting Life and Health Insurance**
 - Factors in the underwriting process
 - Sources of underwriting information
 - The medical exam
 - Making the underwriting decision
 - Calculating premiums
 - Premium mode

- 4) **Group Insurance – The Basics**
 - Group insurance characteristics
 - Underwriting group policies
 - Defining the group
 - Contributory versus noncontributory group policies
 - Voluntary employer sponsored plans

- 5) **Contract Law Issues**
 - Elements of a contract
 - Conditional receipts
 - Insurance consumer fraud
 - Third party ownership
 - Insurable interests
 - Producer responsibilities
 - Uniform policy provisions

- 6) **Insurance Industry Regulation**
 - NAIC
 - State insurance commissioners
 - Federal Fair Credit Reporting Act
 - MIB
 - HIPAA and privacy issues
 - Federal Do Not Call rules
 - Replacement rules

- 7) **Accidental Death and Dismemberment Policies**
- AD&D as a rider or stand alone policy
 - Multiple indemnity riders
 - Federal Fair Credit Reporting Act
 - Beneficiary selection
 - Simultaneous Death Act
 - Common disaster clause
 - Spendthrift trusts
 - Revocable and irrevocable beneficiaries
- 8) **Health Insurance Basics**
- Pre-existing conditions
 - Stop-loss limits
 - Renewability issues
- 9) **Individual Health Policies – Required Provisions**
- Free Look requirement
 - Reinstatement
 - Time limit on certain defenses issues
- 10) **Individual Health – Optional Provisions**
- Change of occupation
 - Other insurance provisions
 - Exclusions
- 11) **Medical Expense Policies**
- History of MEPs
 - Policy coverages
 - Taxation of MEPs

- 12) Limited Health Policies**
- Accident only policies
 - Sickness only policies
 - Blanket policies
 - Dread disease policies
 - Critical illness policies
- 13) Group Health Policies**
- Required versus optional provisions
 - Coordination of benefits
 - COBRA
 - HIPAA portability
 - Taxation of group health policies
- 14) Blues, PPOs, and HMOs**
- Indemnity plans
 - Blue Cross-Blue Shield coverages
 - Preferred provider organizations
 - Health maintenance organizations
- 15) Consumer Driven Health Care**
- Flex plans and taxation
 - High deductible health policies
 - Tax-advantaged savings accounts
- 16) Medicare and Medicaid**
- Medicare eligibility, coverage, and gaps
 - Medicare supplement coverages
 - Medicaid eligibility, funding, and coverages
- 17) Long-Term Care Policies**
- Need for LTCi
 - Features of LTCi
 - Taxation of LTCi
- 18) Disability Income Policies**
- Relation to Social Security
 - Taxation of DI benefits
 - DI riders
 - Business use of DI insurance
- 19) State Regulation of Health Insurance**
- State versus federal regulation
 - State Insurance Commissioner - powers
 - Regulation of insurers and producers
 - State code of ethics
 - State COBRAs and HIPAAs