

UNUM PROVIDENT MUST REOPEN ALL LONG TERM DISABILITY CLAIM DENIALS FROM 1997 TO THE PRESENT !

On November 30, 2004, UNUM Provident reached a tentative settlement with State Insurance Regulators, which required UNUM, and its subsidiaries, Paul Revere Life and Provident Life & Accident to reconsider more than 200,000 long term disability claims which had been terminated or denied from January 1, 1997 to the present. This settlement is intended to resolve issues raised by insurance regulators concerning UNUM's claims handling practices. These investigations focused on assertions that UNUM and its subsidiaries had improperly denied claims for benefits under individual and group long-term disability insurance policies. They concluded that UNUM had committed numerous violations of its obligation to fairly administer claims.

The settlement requires UNUM Provident Companies to:

Reassess approximately 200,000 claims that previously had been terminated or denied.

Restructure their claim handling procedures to ensure objectivity and fairness.

Pay a \$15 million fine.

The settlement agreement gives thousands of current and former UNUM Provident Companies' policyholders an opportunity to have their terminated or denied claims reassessed.

Under the settlement agreement, the majority of persons whose claims for group or individual long-term disability benefits were either terminated or denied after January 1, 2000, will receive notice via mail of their right to have their claim reassessed. Persons whose individual or group disability claims were denied prior to January 1, 2000, although not receiving notice directly from UNUM, will also be able to request to have their claims reviewed by applying to their specific UNUM Provident Company. In addition, any individual whose claim has been terminated or cut short after two years based on an assertion that their disability was a mental and nervous condition rather than a physical condition, can apply to have their case reopened.

UNUM Provident officials estimate that the settlement will cost them over \$100 million in restitution to policyholders making claims. If UNUM fails to implement the required changes in a timely manner, it will be subject to penalties of \$100,000 per day until compliance is achieved. In addition, failure to meet acceptable levels of accuracy in making disability claim determinations will result in an additional penalty of \$145 million. The reasons for these penalties are primarily because of Insurance Department findings that UNUM Provident failed to consider Social Security Disability awards as evidence of disability, failed to make sure that claims were reviewed by competent and impartial doctors, failed to have competent vocational assessments completed by competent vocational practitioners, failed to account for the assertions of claimants and

their treating doctors, and failed to properly consider medical documentation establishing disability.

Although individual claimants can pursue reassessment on their own, it is strongly recommended that they consult with an experienced disability attorney regarding their rights under the settlement agreement. UNUMProvident has been wrongfully denying disability claims for years, don't trust them to do the right thing now.

For a free consultation, call 800-446-7529 or email gkantor@kantorlaw.net.