



The Basics

Prozac: Hazard to your health insurance

A visit or two to a counselor, a short spell on anti-depressants or even a prescription for hay fever can make you an insurance untouchable. MSN Money contributor Debora Vrana reports.

By Debora Vrana

Concerned that ugly family fights were upsetting his young children, a Boston-area lawyer went to a therapist and let his health insurance pick up part of the tab. When the lawyer later decided to apply for more insurance, he was denied coverage specifically because he had the counseling visits on his record.

Sure, you can get the help you need to handle depression, anxiety or even something as common as hay fever. But should you ever need to buy an individual health policy, you're likely to find that insurers consider you high-risk or even untouchable. You're likely to pay more for a life or disability policy as well, and perhaps be denied a security clearance.

"To protect my patient's privacy, I no longer submit insurance claims for my services," said the man's therapist, Dr. Peter Gumpert, who these days accepts only patients who can pay out of pocket.

"The moment I give them a label, it can follow them for their entire life. I really worry about that," he said. "This whole thing has a chilling effect on people getting the help they need."

Health insurance on your own

Individual health insurers may deny you coverage based on your medical history or put you in such a high-risk category that it makes health coverage too expensive, according to Karen Pollitz, a Georgetown University researcher who co-authored a 2001 study on the individual health-insurance market for the Kaiser Family Foundation.

In her study, Pollitz found that roughly 90% of applicants in what's known as less-than-perfect health were unable to buy individual policies at standard rates, while 37% were rejected outright.

"It's very, very hard to get coverage now" in the individual health-care market, said Pollitz, who said underwriting standards have only tightened since her study.

Even counseling for grief or a sleeping or eating disorder can make someone ineligible, she said. So can being on medications for hay fever or acne, because insurers consider you a high user of medications, she said.

"Allegra will get you every time," said Pollitz. "They may deny you, they may increase your deductible, or give you a policy with no drug card."

It's all about risk: theirs

Insurers make money by avoiding the risk of paying high claims. The sickest 1% of their policyholders can make up 40% or more of claims.

"Insurers will look at your past medical history, ongoing, any pre-existing medical conditions, all to determine a sense of what that consumer's future risk might be," said Larry Akey, spokesman for [America's Health Insurance Plans](#), a trade group representing most of the largest insurers.

Current medications and all health-care treatments are something considered by the insurance industry, especially in the market for individual health care.

The majority of Americans get insurance through their employers, who in turn pay a large portion of the monthly premium. Large groups of diverse workers help offset the risk for insurers.

The individual market is much more risky for insurers, however, because the individual pays the premium and there is not a diverse pool of people. The market for non-group insurance is a small one in the U.S., with roughly 6% of the population under 65 covered by such a policy, according to a

study by the Rand Corp.

But a lot of very ordinary circumstances can force someone into this market, including:

Becoming self-employed.

No longer qualifying as a dependent on a parent's plan.

Getting a job that doesn't offer health insurance.

Coming to the end of your health benefits under COBRA, the federal health insurance safety net for someone leaving a job.

Industry representatives such as Akey said getting insurance in the individual market is not as hard as past studies have shown. They cite their own 2005 study, which found that about 88% of people who applied for individual coverage in 2004 were given it, and 77% of those paid standard rates.

Who needs help?

A 2005 Harvard survey found that most Americans have the symptoms for one or more mental health disorders at some time in their life, but most cases are mild. The findings:

Anxiety disorders, experienced by nearly 29% of Americans during their lifetime, are the most-prevalent class of mental illness.

Mood disorders are experienced by 20.8% of Americans.

Impulse-control disorders are experienced by 24.8% of Americans.

Substance disorders are seen in 14.6% of Americans.

Only 41% of patients with disorders lasting 12 months sought treatment, the study found.

In 2005, 357 million new prescriptions were written for psychotherapeutic drugs such as Ativan, Klonopin, Paxil, Prozac, Serzone, Zoloft, Xanax and Wellbutrin, a major increase from the 168.4 million new prescriptions that were written just three years earlier, according to [Wolters Kluwer Health](#), a data company in Parsippany, N.J.

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