

Best's Insurance Law Podcast

How COVID-19-Related Claims Differ in Canada Versus the US - Episode #175

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Hosted by: John Czuba, Managing Editor

Guest Expert: Dan Thompson of [DeeGee Rehabilitation Technologies](#)

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John Czuba: Welcome to “Best’s Insurance Law Podcast,” the broadcast about timely and important legal issues affecting the insurance industry. I’m John Czuba, Managing Editor of *Best's Insurance Professional Resources*.

We're pleased to have with us expert service provider Dan Thompson, President and CEO of [DeeGee Rehabilitation Technologies](#), with offices in Ontario, Canada and Arizona.

Dan has worked within the litigation arena for over 14 years. He is a registered rehabilitation professional, registered vocational professional, and a certified Life Care planner. His company services include providing expert opinion to insurance carriers, attorneys, and medical professionals, by assessing the needs and vocational capabilities for people with disabilities.

Dan, thank you so much for joining us again today.

Dan Thompson: John, thanks for having me.

John: Today, we're going to be discussing COVID-19's impact on insurance claims and differences in both the United States and Canada. Dan, for today's first question, can you define for our audience what exactly is COVID-19?

Dan: COVID-19, I don't think most people know that COVID stands for the CO of corona, the VI for virus, and the D for disease. That's how you get the word COVID. Of course, it was discovered in 2019, hence the 19.

As we all know, it's highly contagious and potentially deadly to people with underlying conditions that affect their pulmonary, which is really their respiratory system, their circulatory system, and their immune system.

Of course, at the beginning, there's a lot of misconceptions, and physicians did not know that it was airborne. As widely communicated, as been on the news, that people were aware that it was serious that the other word for this is SARS-CoV-2. It lands in the lungs, and it can do deep damage.

The virus or the body's response to that can also injure many other organs as well. Scientists are just beginning to probe and scope the nature of that harm. For example, some of COVID-19 patients have strokes, seizures, they become confused, and have brain inflammation. Doctors are trying to understand which of these are directly affected by the virus.

It can also affect people's liver, kidneys, and hearts. For example, in Brescia, Italy, a 53-year-old woman walked into the ER of her local hospital with all the classic symptoms of a heart attack.

Now that included the telltale signs of her electrocardiogram and high levels of blood markers, suggesting that there was damage to the cardiac muscles.

Further testing showed that the cardiac system had swelling and scarring of the left ventricle. Normally, that powerhouse chamber of the heart, in her case, was so weak that she could only pump one-third of her blood. Of course, they discovered that she had COVID-19.

What most people don't know is that COVID attacks the endothelial cells. Basically what that is, that's the small blood vessels around the heart, lungs, and other vital organs. Dozens of papers have documented this.

For example, on March 25th, 2020, there was a paper in "JAMA Cardiology" that basically documented that heart damage is near 20 percent of patients, out of 416 that were hospitalized for COVID-19 in Wuhan, China. Another case, basically 44 percent of those 36 patients were admitted to the ICU due to arrhythmia.

I actually had a colleague who worked with me, when I was developing voice recognition systems, and he was scheduled to go in for knee surgery. That had to be postponed, because even though he was wearing a mask, he contracted the disease which penetrated his eyes.

Of course, he had the arrhythmia, and he wasn't able to proceed with the surgery, until COVID had dissipated. It's some pretty serious stuff, and a lot of people don't always take it seriously.

John: Dan, how has COVID-19 impacted the vocational and LCP industries?

Dan: As Life Care planners and vocational experts, some state vocational rehab agencies, you got to know that they provide services to people who have disabilities who want to work. COVID-19 pandemic has created unprecedented challenges for those professionals to serve them, including interruptions with the service delivery, health concerns, and your risk of exposure.

All you have to do is turn on the news and see that all these people are wearing masks. How can you continue to provide that service, especially when the labor market itself is decimated? You don't have restaurant workers. You don't have people out in the labor market as much as before.

When you've got people with disabilities who are compromised, in terms of potentially seeking employment, as I'm sure you can appreciate, this really affects them. They have large budgets to deal with these deficits. Obviously, this is going to affect it because coffers are being depleted and putting out into other resources.

Having said that, they are trying to find creative ways of doing this. For example, there was an overwhelming response to online events and online job fairs, where people could actually market themselves to potential employers.

I'd like to regale a story of how this has affected my own business. For example, just before COVID hit, I testified in the trial in western Texas. On my way back, being the true marketer that I am, I stopped into two law firms in New Mexico. From that, I was able to get at least four or five cases from these lawyers who wanted to retain me.

Now that COVID's hit, you can no longer do those in-person sessions. Organizations such as the Defense Research Institute or other organizations, such as the Association of Defense Trial Attorneys, they have set up virtual conferences. As I'm sure you can appreciate, John, it's not quite as effective as actually being there in person.

In addition, I've done several what we call IMEs, those are independent medical examinations. I had one case where a gentleman had stage four breast cancer, that metastasize into his spinal cord. As such, with his spinal cord, that obviously caused paralysis. Even though the father took the Zoom camera around the apartment, I would have allocated more money for home renovations, because it was your "typical kitchen."

Yet, meanwhile, the lawyer sent me a video of an OT who is in the actual person's apartment, and he was able to make himself a sandwich. He was able to sit at the kitchen table. There were some limitations reaching over the hot elements, but for the most part, obviously, that affected him.

The other thing you have to take into consideration is the anti-spam laws. I pride myself on being a very good marketer. Of course, Canada and the US, the US, for example, has opted out of the Canadian model, which is an opt-in.

In other words, when I'm sending out these emails, people can actually sign off and say, "Don't send me any other emails because they're being inundated or spammed by this." Clearly, it's had a huge impact. It's something that needs to be addressed as time goes on.

John: Dan, you touched a little bit on differences in the US and Canada. Are there any other differences between how those countries are handling COVID-19?

Dan: There's been a huge difference. There was a recent article by Zack Beauchamp, and he's from vox.com. He indicated that, basically, Canada and the US, in many respects, are similar countries.

The two North American nations have comparable risk factors, such as similar age populations and the similar distance from the earliest hotspots in Europe and eastern Asia. Yet the outbreak has dramatically been worse in the US than its neighboring country. I sit here in the north.

Now, per capita, the United States has currently seen about twice as many confirmed coronavirus cases as Canada and about 30 percent more of the deaths. Now the American response, I think, has been infected by partisan politics that shot through also by federal incompetence.

That includes polarizing the need for PPEs, that's personal protection equipment, hand washing, etc., and therefore, people continue to go to church services and other gatherings, which, of course, has spread the virus.

Now Canada's policies have been efficient in implementing support from leaders across the political spectrum. The comparison, the case study is now a dysfunctional political system that can quite literally cost lives.

Now, there's been three key things. Canada had a more direct experience from the novel coronavirus. In 2002, basically, we had SARS. That emerged from Guangdong, China, and eventually spread to about 26 countries.

In 2003, there was a significant outbreak in Canada that's centered on Toronto, where 44 Canadians died from the disease, where the US only had a tiny number of cases and no deaths.

Secondly, the public health budget in Canada has increased in recent years. Whereas in the US, by contrast, authorities have been relatively starved of resources. The CDC funding has fallen by 10 percent over the last decade and, basically, inflation adjusted dollars.

Now thirdly, and finally, every expert I spoke with, basically, emphasized that the value of Canada's single payer health care system, at this critical moment, especially when compared to America's extremely expensive, low-capacity system, has made that huge difference.

Now, Canada's not perfect, obviously, one of the problems with the Canadian system is that we have a tendency to romanticize that we have this utopia up here, where with our centralized healthcare system, that people are going to get the care that they need.

No country's response to the outbreak has been perfect. Basically, all we have to do is look at our indigenous population to show that we are lacking in that area.

John: Dan, how has COVID-19 impacted the insurance industry from what you've seen? How about the impact on adjusters and claims in general?

Dan: Obviously, as we've discussed all along here, there was another article by Neal Baumann. He was a global insurance leader for Deloitte. He indicated that the insurance industry is well prepared, typically. Normally, they're well prepared for a major loss event, including pandemics.

However, the financial impact will take time to play out as well as the impact for reinsurance companies. Clearly, the reinsurance company is where the real money's at. How are they going to know how to deal with this until the financial fallout has its full effect? It's attacked on multiple fronts.

Now, it's attacked on claim payers, employers, and investment managers. Now, the long-term impact on insurance companies, such as falling equity markets and insurance rates, they're going to put pressure on these reinsurance balance sheets, as we talked about before. It's going to affect the bottom line and profitability that, of course, is going to translate into higher premiums for individuals.

If we look at the next practical steps, you have to look at basically how this is going to impact the claims adjusters, and are they going to be able to underwrite the book of business that they need to cover things like workers' compensation, employers' liability, and markets in that area as well.

John: Dan, what do you see for the future?

Dan: As we know, both Canada and the US are looking at reviewing vaccines. In Canada, here, we're looking at four. There's one from Pfizer, Moderna, AstraZeneca, and Janssen. Basically, once those vaccines are rolled out, people also have a misconception that it's going to instantly change things.

Keep in mind that it's going to take time and look at the logistics. How are we actually going to give people this vaccine? Who gets it first?

Obviously, there's lots of talk on the news where they say that people who are vulnerable, such as myself, with underlying conditions will get it, and obviously, people who are frontline workers should get it first. Others will get that down the road. That's one logistical issue.

The other thing is, how do you continue to redo the serum and make sure you can replicate that and get that out en masse? Clearly, that's one impact that we have to do. By the time this airs, hopefully that is well into place. Once that occurs, hopefully things will go back to normal.

One of the things that COVID has taught us is that some of these virtual conferences may become more the norm. I'm sure you can appreciate it's a lot cheaper to have somebody log on to a virtual conference than it is to pay for their time out of the office, to go into a hotel, to pay for their travel expenses and, of course, that loss of productivity by being away from the office.

Some of these conferences, I was able to tune in, and then while I'm listening to the conference, I was able to take calls and do my day-to-day business as well.

Either way, whether it be with COVID-19, or whether it be regular times, for lack of a better word, the important thing is to establish personal connections and foster the growth and solution.

Even though I cited those examples of me actually going to those two law firms, from a marketing standpoint, to bolster my business, that if you can establish that personal contact, that's going to serve you well both now and in the future.

John: Dan, thanks so much for joining us today.

Dan: Thanks for having me. I hope you have a great day.



John: You too, Dan. Thanks. You've just listened to Dan Thompson, President and CEO of [DeeGee Rehabilitation Technologies](http://www.deegeerehab.com), with offices in Arizona and Ontario. You can learn more about Dan's company at www.deegeerehab.com. Special thanks to today's producer, Frank Vowinkel.

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I'm John Czuba, and now, this message.

Transcription by CastingWords

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