

DISABILITY NEWS SERVICE

Unum bragged about ‘driving government thinking’ on incapacity benefit reform

An insurance company set to make huge financial gains from incapacity benefit (IB) reform bragged about “driving” the government towards those reforms, evidence obtained by Disability News Service (DNS) has revealed.

The US insurance giant Unum has repeatedly denied attempting to influence IB reform over the last two decades, despite **mounting evidence that it has done so**. Unum is the largest provider of “income protection insurance” (IPI) in the UK, and tougher welfare rules - including replacing incapacity benefit with employment and support allowance (ESA) - are likely to persuade more people to take out IPI, boosting the company’s profits.

Unum even launched a major media campaign in 2011 just as the coalition began a three-year programme to reassess about 1.5 million existing IB claimants through the new, stricter test, the work capability assessment (WCA).

Now DNS has secured a copy of a Unum document on the assessment of “incapacity”, which was published in 2005.

The document was written by Michael O’Donnell, then the company’s chief medical officer and now in the same role at Atos Healthcare, which carries out WCAs on behalf of the government.

O’Donnell says in the document that Unum has “always been at the leading edge of disability assessment and management”.

He adds: “We know that our views and understanding are not yet in the mainstream of doctors’ thinking, but Government Policy is moving in the same direction, to a large extent being driven by our thinking and that of our close associates, both in the UK and overseas.”

Unum has admitted there has been widespread criticism of its past actions in the US, mainly over its refusal to pay out on large numbers of genuine insurance claims by disabled people, a record mentioned **in last month’s Commons debate on Atos and the WCA**.

But Unum has also faced criticism in the UK. In **a parliamentary debate in 1999**, MPs accused the company of refusing to pay out on valid insurance claims from disabled people who had lost their jobs due to ill-health or disability.

Unum continues to dismiss claims that it pushed the government to introduce the ESA/WCA system.

In 2011, John Letizia, Unum's head of public affairs, told Disability News Service (DNS): "At no time have we influenced the government on the design of the reforms to the welfare state or on the level of benefits that claimants receive."

And in the same year, at the Conservative Party conference, Unum's chief executive, Jack McGarry, said: "We haven't tried to influence the welfare agenda around reducing welfare or making it harder to claim. To my knowledge we have not done that."

This week, Letizia told DNS again that Unum had not attempted to influence the government's welfare reform agenda.

He said: "We will never ever deny that there were discussions between Unum and the previous government and there continue to be [with the coalition]."

But he added: "In all the discussions going back over the last five years on welfare reform Unum made absolutely no attempt to influence government policy on the welfare debate, on the ESA or WCA or personal independence payment or disability living allowance, in setting the government agenda."

After DNS shared the document with Letizia, he declined to comment further.

Mo Stewart, the disabled activist **who has done most to highlight concerns about Unum**, said the new evidence was "very significant", and called for an independent inquiry into the role of the company in influencing UK welfare reform, particularly when it had such a "disturbing past history".

She said: "This entire situation confirms the dangers of a government that confuses its priorities, and places the welfare budget as a much higher priority than the needs of its own chronically sick and disabled people."

She added: "The WCA is a replica of the assessment system used by Unum to resist funding insurance claimants.

"It is a bogus, dangerous assessment and, with this evidence, it is now time that this DWP medical tyranny was ended."

A DWP spokesman said: "The WCA was designed from the outset with the involvement of a wide range of experts and disability representative groups and has been subject to rigorous independent review."

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