

# STIDA

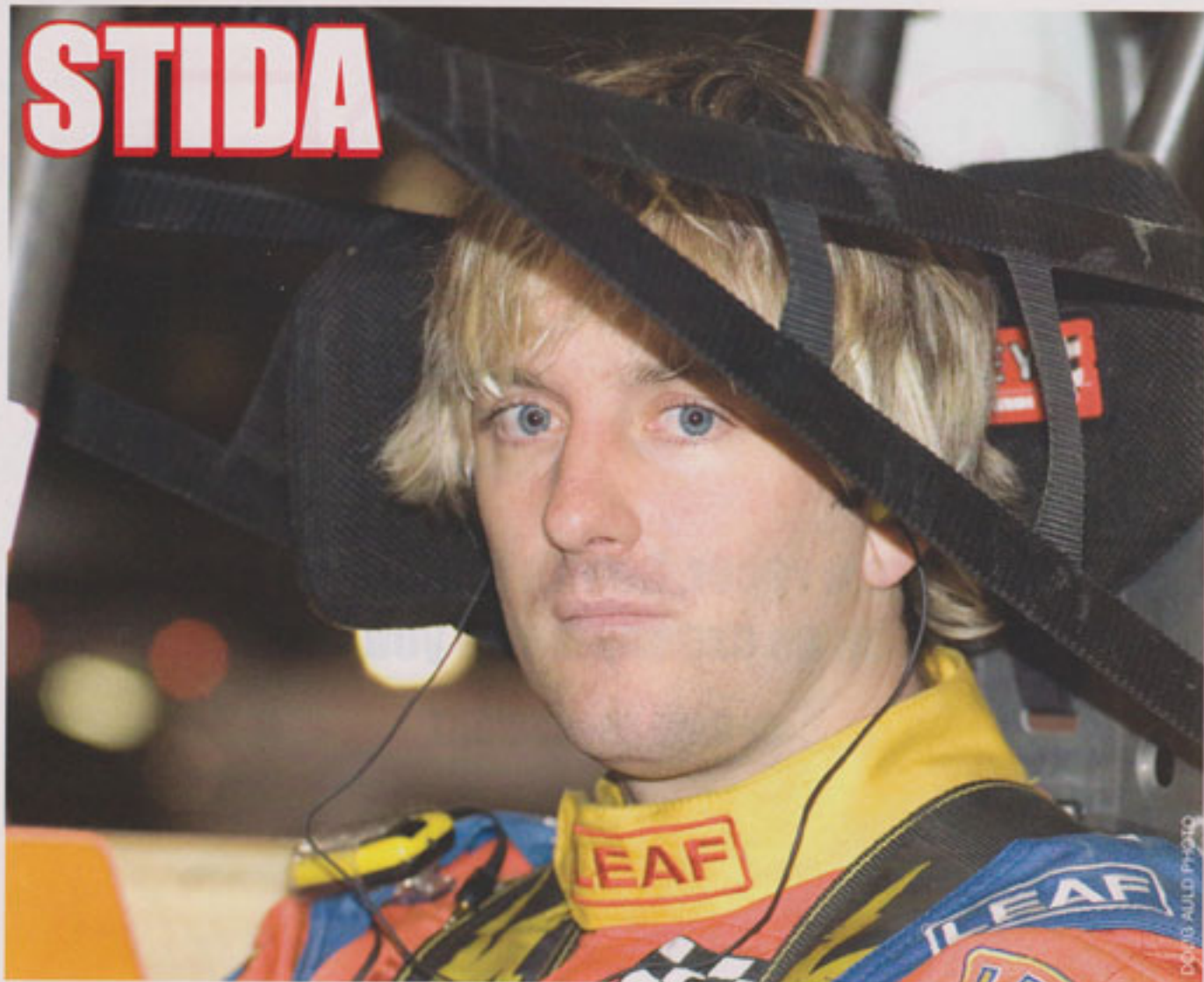


**If you're a racer, health insurance may not be as expensive as you think**

**by DAVE ARGABRIGHT**

*Ugly accidents like this one involving Todd Kane (78) are a common part of our sport, so health insurance for any racer is essential. Kane was uninjured in this wreck.*

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**E**arlier this year, a well-known racer suffered a badly broken leg in a sprint car crash. It was a rough crash, but not unlike those often seen in our sport. Each season, in fact, several racers are sidelined for several months while recovering from broken bones or other injuries.

So a guy in a sprint car busted his leg. No shocking news there, right? However, the real shock for the driver and his family came when they saw the medical bills rolling in. At this writing, with a couple of months of therapy remaining, the total medical cost of his broken leg is over \$125,000.

Luckily, this particular driver had medical coverage through his wife's business, and therefore most of his bills have been paid.

But the episode sends a sobering reminder of a new reality: Racing is safer than ever, but never before has it been more financially dangerous to race with-

*In January of 2009 Tim McCreadie suffered a broken vertebra in a crash at the Chili Bowl. At the time of the accident he did not carry his own medical insurance, and faced significant medical bills as a result of the accident.*

out adequate medical coverage. Soaring medical costs have created sticker shock for almost anyone who undergoes treatment of any significance.

In sprint car and midget racing, the facts are simple: At some point, you will crash. There is a chance you will be injured. If you are injured, you will require medical treatment.

Who will be responsible for paying for that treatment? A number of racers in recent years have learned - under enormously difficult circumstances - that it isn't the track's insurance, or the government, or some mysterious entity that simply makes the bills disappear.

Ultimately, YOU are responsible for paying those bills.

A quick primer on contemporary racing insurance is in order. Tracks and

sanctioning bodies offer competitor medical insurance that covers you when you sign in at the pit shack; the amount varies widely, from a bare-bones \$10,000 to policies that offer up to \$200,000 in coverage.

Coverage falls under one of two types: Primary or Secondary. Primary is just that, while Secondary offers coverage only after any other existing coverage - for example, insurance provided by your place of employment - is exhausted. (Many mainstream health insurance policies offer exclusions for activities such as auto racing; check the fine print.)

Yes, many tracks and sanctioning bodies should take a hard look at increasing their coverage amount. But even if a track stepped up and raised their coverage from, say, \$15,000 to \$50,000, such

a policy would still be woefully inadequate in the case of a major injury.

That means any smart racer - and his or her family - should consider a personal policy that would extend their protection beyond the coverage offered by the track.

In recent years several racers and their families have suffered financial ruin because of medical bills. A major racing crash without adequate medical coverage is almost a sure bet for almost incomprehensible financial hardship.

The vast majority of racers and their families are blue-collar sorts who don't exactly have a million or two sitting in the bank. Think about it: If you suddenly found yourself personally responsible for a bill of \$100,000, would that create difficulty for you and your family?

Fortunately, at least one option exists today that is so utterly simple - and cheap - that it's literally a "no-brainer."

**T**he story begins in 1996, when Robbie Rice suffered a compressed vertebra in a sprint car crash at Indiana's Bloomington Speedway. Rice's father, the late Hall of Fame racer and broadcaster Larry Rice, was a representative of K&K Insurance, a prominent provider of insurance coverage to America's racing facilities.

Larry Rice - who earned an impeccable reputation as a man who consistently had the sport's best interests at heart - had long known of the need for medical coverage for racers. He spoke often of the fact that even if a track was willing to purchase a very large medical policy, it was often still not adequate when compared to the costs of a catastrophic injury.

"That's when Dad came up with the idea of an individual policy," Robbie Rice recalls. "The more we looked into it, we found a way that we could buy a policy that would allow us to add other racers on it. I couldn't afford it all by myself, but if I could find other racers to also be on the policy all of a sudden it made sense."

STIDA (Short Track Independent Drivers and Associates) was born. While Larry Rice continued his role as a regional representative for K&K, he and Robbie began to get the word out to offer the coverage to other racers.

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Today, STIDA members have \$250,000 of secondary medical coverage with a \$15,000 deductible. The idea is that even if a track offers bare minimum coverage of \$15,000, the STIDA policy would provide benefits as soon as the track's minimal coverage is exhausted.

The annual fee for this coverage? \$425.

The cost of a couple of racing tires could be the difference between being covered versus having to sell your house to pay your medical bills.

Keep in mind: This story is not meant to be an endorsement for STIDA. Racers should do their homework and do what is best. There are many insurance professionals today who can advise you on the availability of an individual policy.

But the important thing is this: While nobody relishes the idea of talking about medical insurance, today it is crucial to have that discussion. Racers today could be one moment - a sudden impact, a hard rollover - away from financial disaster for themselves and their family.

Two years ago, Arin McIntosh was a promising young open-wheel racer on the traditional sprint car circuit in Indiana. Just 19, she showed great potential both inside and outside the racecar.

Like every racer, McIntosh didn't spend a lot of time worrying about the unthinkable: a devastating, career-ending crash. But on Oct. 11, 2008 it happened on the high banks of Lawrenceburg Speedway. A broken suspension sent her car hard into the outside wall, and she struck her head on the roll cage, suffering a traumatic brain injury.

She was comatose for 11 days, then began the long road back. Happily, she has since recovered to return to college, where today she lives a happy life as a 21-year-old studying engineering at IUPUI in Indianapolis.

But the costs of her treatment were staggering, says her father Robert.

"Arin's total medical bills were about \$500,000," he says. "I really haven't seen a total figure, it got to the point where I didn't add it up anymore, I didn't care

how much it was. We were just grateful that she recovered and we have our daughter back."

Luckily, Arin had coverage under the medical plan at her father's business. She also was a STIDA member. Between those two policies and the track's insurance, the medical costs were covered.

"Basically, my only out-of-pocket expenses were our hotel rooms near the hospital and our travel expenses," says Robert. "My health insurance paid their percentages of everything. The STIDA deal and the track insurance is secondary, and in our case it worked out perfectly."

Essentially, McIntosh's situation perfectly illustrates the need for supplemental coverage. While the family had primary coverage, it was a typical health policy that is based on paying a percentage, such as 75- or 80-percent. However, that means an 80-percent policy would leave 20-percent to be paid by the patient; on a \$500,000 medical tab, the McIntosh family was on the hook for \$100,000.

"People say you don't think about the money at a time like that, but you do," he says. "You wonder how you're going to get this done. I had some concerns about my insurance covering it, and they picked up their share. And then STIDA kicked in."

There are similar stories out there, but with different endings. What of the racer with nothing but a track's \$15,000 policy behind them? What of the racer who has primary coverage, but is ultimately liable for a six-figure medical bill?

In January of 2009 Tim McCreadie suffered a broken vertebra in a crash at the Chili Bowl. The 2006 Chili Bowl champion is a professional racer, traveling the dirt late model circuit. At the time of the accident he did not carry his own medical insurance, and faced significant medical bills as a result of the accident.

Fortunately for McCreadie, he was an extremely popular and high-profile competitor, and the racing community rushed to his aid. Fundraisers and benefit auctions were held, ultimately helping him cover the bulk of his medical bills.

Today, McCreadie is a STIDA member. He offers great insight into the mind of a racer, and why the matter of insurance is typically not a front-burner issue - until they are facing the reality of

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(Short Track

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a major medical expense.

"The bills just kept coming, and it's difficult to know exactly how much it was, because they don't just walk up and hand you a total bill," he says of his experience. "It wasn't a small bill by any stretch of the imagination, definitely well over \$40,000."

"But this is something you don't think about until it happens to you. Part of my problem was that I didn't even realize there was a chance to have coverage at that price. I had looked into individual coverage but it was very expensive. When you race, you put everything back into the car and don't think about insurance."

"Hindsight is always perfect, you can always say you'd do it differently. But you have to know about what you're okay with in your life. If insurance is so expensive and you still want to race, then race. But if it's something you can afford, then you should do it."

McCreadie offers good insight into the reason most racers are so grossly unprepared for the expenses a catastrophic medical situation brings.

"The big thing is information," he says. "Before my crash I had no idea a policy like the STIDA coverage was available. It's like anything else in racing: the minute you don't have information you're in a box and you won't go forward. If I would have known about the policy at that amount of money, it was a no-brainer. But I just didn't know about it. And it's not something you think about every day."

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*On October 11, 2008 a broken suspension sent Arin McIntosh's car hard into Lawrenceburg Speedway's outside wall. She struck her head on the roll cage, suffering a traumatic brain injury.*

In May of 2009 Larry Rice died after a long battle with cancer. Robbie Rice believed that the STIDA program was too important to not continue, so he forged on with trying to make the program better.

In addition to the insurance coverage, STIDA members get a discount on safety equipment such as Simpson, Hinchman, Safety Systems, Ultra Shield,

and ButlerBuilt. Rice also continues to work with K&K in the administration of the claims process for STIDA members.

"Racers today are much better today about spending the money to race with the best safety equipment possible," says Rice. "The way I look at this, you're going to spend money on safety equipment anyway, and with the discount from STIDA you're actually getting the

insurance coverage for free."

Rice, who still dabbles in sprint cars, admits that he's surprised that more racers don't take advantage of the STIDA policy.

"I think it's mostly that people don't know about it," he says. "But that's beginning to change. Today, with the Internet and social networks and things like that, people are much more aware of accidents and the fact that racers are facing really large medical bills.

"That's when racers become a little more aware, and they start looking around to see what kind of coverage is available. The more information out there, the better. The worse thing is for racers to go along thinking they're covered, when they're not. That's when guys face a really tough situation when they're looking at a massive medical bill and no way to pay it on their own."

Many high-profile racers have benefited from an outpouring of support from the racing community, helping to defray catastrophic medical bills. While the racing family is known for such a strong network of support, the reality today is that it simply isn't enough.

To begin, the effort required to raise \$75,000, \$100,000, or \$200,000 is enormous. Secondly, there is the inevitable backlash of "donor fatigue" from the racing community; as more and more fundraisers are organized, racers and fans will begin to tire of being constantly asked for donations.

Plus - and this is the harsh reality of life - our community often overlooks lower-profile racers. But the guy racing in a quiet corner of the world faces just as tough a financial road as the mega-star who is badly hurt at a National event.

Both guys, says Rice, really need the coverage.

"The STIDA program is the same for everybody," he says. "Whether it's a superstar professional racer or a kid running a mini-sprint at a little track in the middle of nowhere, the coverage is the same.

"There isn't anything more sickening than seeing a family selling their house, their business, to cover medical bills. But we've all seen that happen over the last couple of years.

"I run this at night, I've got a full-time job during the day. But as long as we can do this and give back to the sport that gave so much to my family, I want to

keep it going. If I help one guy keep from losing his house, then it's been worth it."


**W**ithout realizing it, Robert McIntosh is perhaps STIDA's greatest spokesman. He and his family have experienced one of the worse scenarios in racing - a major accident with profound financial consequences - yet because they were covered, they emerged from the crisis without catastrophic financial loss.

McIntosh is blunt when he talks of insurance coverage.

"I won't be politically correct, but anybody who races without this (STIDA) is a fool," he says. "You'll spend \$250 on a new tire and then not even think about what would happen if you got hurt. Our situation, when you compare it to somebody who didn't have this coverage, is night-and-day different. You see people selling their house to pay medical bills from a racing crash, and they even had other insurance but it wasn't enough.

"I've bought it (STIDA) ever since I first heard about it. To me it's a no-brainer...people will spend thousands of dollars to take 10 pounds off your car or gain 20 horsepower, and I understand that because you race to win. But to not consider what can happen...that's dumb.

"At the very best you might physically recover from a bad injury, but somebody has to pay the medical cost. You have to be responsible to your family, you have to be responsible to yourself, and you have to be responsible to society that they won't have to step up and pay your bills. I talk to people all the time and try to tell them about this.

"I'm a businessman so I look at dollars and cents. I don't have a qualm of spending \$500,000 to make my program better if it's money well spent. And to me, I can never pay enough insurance premiums to pay back how much insurance has paid me in the times I've been in business. All it takes is one major incident and it's catastrophic. At some time in your life you're gonna be damn glad you had insurance." 

## **STIDA**

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