Some Families Win Under New Health Care Provisions

Carla K. Johnson, AP Medical Writer

Jerry and Becky Morefield enjoy some time together with their 15-year-old triplets with cerebral palsy in Mahomet, Ill., Wednesday, Sept. 22, 2010. The nation's new health care law adds consumer protections that kick in Thursday, forcing insurers to meet new requirements. Coverage for children with pre-existing conditions is guaranteed. Lifetime dollar caps are eliminated. And insurers can no longer cancel policies retroactively for frivolous reasons when people get very sick. The children are from left to right, Tucker, Taylor and Tanner. (AP Photo/Seth Perlman)

CHICAGO (AP) — The nation's new health care law adds consumer protections that kick in Thursday, forcing insurers to meet new requirements. Coverage for children with pre-existing conditions is guaranteed. Lifetime dollar caps are eliminated. And insurers can no longer cancel policies retroactively for frivolous reasons when people get very sick.

The provisions will help the Cunninghams in Texas and the Morefields in central Illinois. But they come too late for the Janises in the Chicago suburbs. The three families shared their stories with The Associated Press. ___

Name: Bob and Michelle Cunningham

Ages: Both age 42

Home: Plano, Texas

Problem: Son uninsurable because he's a cancer survivor.

How law will help: Insurers can no longer deny coverage to children with pre-existing conditions.

The law's provision guaranteeing coverage to children with health problems is a relief to Michelle and Bob Cunningham, whose 6-year-old son, Ryan, survived leukemia. They'll now be able to buy a family policy that will cover him.

A mechanical engineer, Bob Cunningham was laid off from his job during the recession. The suburban Dallas family is now covered through COBRA insurance from his previous employer, but that coverage will expire. Cunningham now does contract work and would like to start his own business.

But to do that would mean buying insurance on the individual market, rather than getting coverage through an employer. Insurance brokers have told the Cunninghams they won't write a policy that covers Ryan.

"They could cover the rest of us, but they couldn't give it to us for Ryan," Michelle Cunningham said. "We're willing to pay a fair premium, but they weren't willing to sell it to us at any price."

Under the new health care law, the family will be able to buy insurance covering their son. That means Bob Cunningham can pursue his small business dream, instead of plugging away at a discouraging search for employment that provides health benefits.

"If the subject of health care reform comes up, I try to tell people about our situation every time I get a chance," said Michelle Cunningham. "I want them to know that sick children really were being denied access to insurance." ___

Name: Jerry and Becky Morefield

Ages: 48 and 49

Home: Mahomet, Ill.

Problem: Son lost coverage when medical bills topped $1 million lifetime limit.

How law will help: Lifetime caps eliminated. People who've maxed out must be reinstated if they're still eligible for coverage.

Jerry and Becky Morefield are parents of 15-year-old triplets with cerebral palsy.

Tanner, Taylor and Tucker all use wheelchairs. Of the three, Tucker has the most fragile health. He maxed out the $1 million lifetime limit in his family's policy three years ago when he went into respiratory failure and was hospitalized for 12 weeks.

That meant the insurance company would no longer pay Tucker's medical bills. Illinois has picked up the slack through a program for children with special health care needs. But the strapped program puts strict limits on certain medical supplies Tucker uses, causing the family to wash and reuse equipment meant for single use.

Becky Morefield learned last week from a reporter that the new health care law might help her family. She called her husband's employer and discovered it was true. Tucker's coverage will be reinstated at the start of the plan year, Jan. 1.

"I feel wonderful," she said. "It will be nice to have an insurance company because I don't have to rely totally on the state." Nearly 60 percent of employers offer insurance plans with a lifetime limit, according to the Kaiser Family Foundation. The new provision applies to both individual and group plans. ___

Name: Scott Janis

Age: 44

Home: Streamwood, Ill.

Problem: Insurer retroactively canceled his coverage after he suffered a stroke. How law will help: A provision barring insurers from rescinding policies comes too late for Janis, but he may get coverage through another provision of the law.

Out of the blue, Scott Janis suffered a massive stroke in November. As his medical bills reached $175,000 a few months later, his insurance company canceled his policy.

"It's despicable to leave a man who's recovering from a stroke with no insurance," said Scott's father, Ray Janis. His parents told his story because Janis has trouble communicating following the stroke.

The company said Janis had failed to disclose an unrelated problem, low testosterone, when he applied for coverage on the individual market.

"He did fail to put down he had been seeing this urologist," said Scott's mother, Connie Janis. "Sometimes you can't remember everybody you've seen. It was inadvertent."

The new law prohibits the practice of insurers searching for small misstatements and using them as an excuse to cancel individual policies for people with high medical bills. Most states, including Illinois, now allow these types of cancellations, called rescissions, for reasons other than fraud.

Psychiatric problems were the No. 1 reason for rescissions in a study by the

National Association of Insurance Commissioners, which also found Illinois has one of the highest rates of rescission in the nation. Nationally, there were about 4 such cancellations per 1,000 policies written on the individual market, NAIC found.

The new federal law comes too late for Scott and his parents, who are in their 60s. They've been fighting the insurance company as they struggle to take care of their son and find coverage for him.

Even though the new law hasn't directly helped them, the Janises think it offers important protections for consumers. And they've applied for coverage of their son for people with pre-existing conditions, a new program funded by the federal law.

Blue Cross and Blue Shield of Illinois issued a statement saying the company can't comment on Scott Janis' case because of privacy laws.

"We recognize that rescissions are difficult for everyone involved," the statement said. "We have a long-standing policy not to rescind coverage for members unless we learn that they intentionally omitted material information or provided false information at the time of their membership application."

Illinois Department of Insurance Director Michael McRaith said the new protection in the national law is "a big step forward," but the state Legislature also needs to strengthen the Illinois law. McRaith would like to require insurers to get approval from the state insurance department before they rescind policies.

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