

Getting Health Insurance after Diagnosis

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Insurance companies like to compare buying health insurance after being diagnosed with a serious medical condition like HCV to trying to buy fire insurance on a burning house. That sounds really logical....except....most fire insurance policies are never used as most houses don't burn down. Everyone has medical problems, however, at one time or another.

To prevent a person from buying health insurance only when they need it, the insurance industry uses a procedure called "medical underwriting." Loosely translated into plain English, it means "discriminating against anyone we feel may cost us money." And this type of discrimination against people with health problems is perfectly legal.

So once a person has been diagnosed with HCV, can they ever get health coverage again? They certainly will not be able to purchase a policy that requires medical underwriting, which most health plans sold individually do; before accepting you for coverage, they get to review your entire health history and current medical condition, and anyone with HCV will be refused coverage.

There are, however, alternatives to medically underwritten individual health insurance plans. These are some of the most common:

Employer Provided Health Insurance

Under a federal law called HIPAA, if you work for an employer who provides health insurance to its employees, you cannot be refused the insurance because of your medical condition or health history. If the employer offers it and you are full-time and otherwise qualify for it, they must let you enroll in the plan regardless of your health.

This right to health insurance is available not only to new hires, but also to persons who had originally declined the insurance and later changed their mind, although there may be some temporary limitations on coverage for these "late enrollees."

There are advantages and disadvantages to getting health insurance through your employer. The primary advantage is the employer pays most or all of the costs of the health insurance and you can't be turned down. Also, many employers offer a choice of plans so each employee can choose the plan that best fits his/her needs.

The primary disadvantage is that your health insurance is tied to your employment. If the employer changes plans, you have no choice but to change plans too, even if it means less coverage.

Another drawback used to be that you lost your insurance when your employment stopped. COBRA Continuation laws have helped some, but their extension of coverage is limited to between 18 and 36 months.

Now, thanks also to the HIPAA law, once you have acquired health insurance through an employer, you have the right to keep either that insurance or a private plan of similar quality, even if you terminate employment and COBRA Continuation coverage expires. This means that once you acquire health insurance through an employer you will be able to maintain some form of health insurance regardless of any change in your employment status.

Eligible Spouse or Domestic Partner of an Employee with Health Insurance

If you are the spouse of an employee who gets health insurance through an employer, you too are eligible for health insurance just as the employee is. Also, more and more employers and health insurance plans allow “domestic partners” the same rights to health insurance as a married spouse.

Because there is no standard definition of a “domestic partner,” each health plan will have its own requirements as to who can be covered as a “domestic partner.” It usually includes the partner in a committed relationship regardless of sex. Some plans require that they live together; others don’t; many will require registering as domestic partners if the state or city offers such a program. A few employers will permit any other person to whom the employee has close ties, including a parent or sibling, to be included in the plan.

Union or Guild Health Plans

Most union employees are covered through employer provided health plans that are part of a bargaining agreement with the union. However, some unions and trade guilds provide health insurance directly to their members. This is most common in trades or occupations where the union member either works free-lance or moves frequently from employer to employer. Examples would include: musicians, actors, writers, editors, decorators, truck drivers, and some professional occupations such as attorneys, architects, or dentists.

The requirements for joining the union health plan can be fairly strict. Those unions that permit any dues-paying union member to join the health insurance will have strict requirements as to who is eligible to join the union. Many union plans are more liberal on membership but will require a minimum number of hours worked or dollars earned in that profession to be eligible for the health insurance plan. A few may offer the health insurance to anyone willing to pay the dues but virtually all of those plans are medically underwritten.

Association Plans

At one time, many associations made health insurance available to their members without requiring medical underwriting. Unlike the union or guild plans which required some affiliation to join, most association plans were open to virtually anyone who was willing to pay the dues. This included groups like associations for independent sales

representatives, self-employed individuals, and even some fraternal and social organizations.

However, as health insurance became more difficult to find and more expensive to maintain, insurance companies largely stopped writing association plans on such a loose basis. Virtually all of the association plans that still exist require medical underwriting or other evidence of good health to join, just as if the insurance were being purchased directly.

Short Term Health Insurance

There is one health insurance product that is often included in lists such as this, but it provides no real help for anyone already diagnosed with a medical condition. These are the short term or “temporary” health insurance plans. They are written for a set period of time, usually from 30 days up to six months, and they cannot be renewed. While they rarely require answering any questions about your health, they are carefully worded so that they will never cover charges related to any condition for which you were already being treated when the coverage began. This makes them virtually worthless for our purposes.

Veterans Administration Medical Benefits

If you are a veteran of the military you may be eligible for medical benefits from the Veteran’s Administration. For more information on getting benefits through the VA, go to <http://www.va.gov/> and click on “Health – Benefits & Services.” While this may not affect many readers, for those that are, VA benefits can be very helpful, especially for persons dealing with HCV.

If a disability is “service-connected,” you may be eligible for monthly benefits in addition to completely free medical care. Because of the methods of transmission for HCV and because of its relative newness as an identifiable diagnosis, the VA often liberally interprets HCV infection as “service connected.” Generally, proof must be shown that you were at least exposed to potential infection by HCV. If you can show that during active duty, you may have been exposed to HCV through transfusions, tattooing, or even IV drug use, or other situations that could explain the exposure, you may be approved for free medical care and some monthly disability benefits.

Medicare/Medicaid

These federal health insurance plans can provide medical care to a person with HCV as well, assuming that you are eligible for the coverage.

Medicare is available to persons age 65 or older. It is also available to persons under age 65 who have collected Social Security Disability Insurance (SSD or SSDI) benefits for 24 months.

Medicaid is a federally mandated health plan that is based on need. In addition to being either age 65 or older or disabled, you must show that your income and resources

(assets) are low enough to qualify. Medicaid is administered by each state so the eligibility rules will vary slightly from state to state.

State High Risk Plans

Most states offer a health insurance plan for persons who, due to their medical history, are unable to purchase one on the open market. The plans vary from state to state. Most charge a premium that is higher than regular health plans, and some offer benefits that are not as broad.

To learn more about your state's High Risk Health Insurance Plan, called by different names in each state, contact your state's Department of Insurance. Contact numbers and addresses for all 50 states' Departments of Insurance can be found at <http://www.ican2000.com/state.html>.

Open Enrollment Periods

A few states require their Blue Cross – Blue Shield plan to open their enrollment at least once a year to anyone who applies for health insurance, regardless of their health history. Contact your state Department of Insurance to see if your state offers this.

Guarantee Issue by State Mandate

Finally, there are a few states that require all insurance companies to offer at least a few health insurance plans, if not all, to persons without any medical underwriting at all.

Because laws change, you may want to check with your own state's Department of Insurance to see if it has recently changed its offerings.

Despite the fact that a person with HCV is considered "uninsurable" for health insurance, there *are* alternative ways to acquire good health coverage.