

Odds stacked against those who can't afford medical coverage

By Randall Patrick

Thursday, July 26, 2012 at 6:48 pm (Updated: July 26, 6:59 pm) Bonnie Varnell, 59, was feeling unwell when she went to Flaget Memorial Hospital last November. At first, she thought her condition was caused by low sodium. But days later, she got the dreaded diagnosis.

She had cancer.

Doctors determined she had small-cell carcinoma, a particularly aggressive form of the disease, in one lung and her lymph nodes.

As if that weren't frightening enough, she also had no health insurance.

She isn't alone. One in six Nelson County residents is uninsured. That number would decrease when the Patient Protection and Affordable Care Act becomes fully implemented two years from now, but if the law doesn't survive after the November election, Bonnie Varnell and others like her will have few options for paying for health care.

Bonnie's husband, Ed, is retired from the Conway-Heaton car dealership, and is on Social Security and Medicare, but Bonnie isn't yet eligible for those programs, and didn't qualify for COBRA — a federal law that allows workers to keep their company group health insurance benefits for up to 18 months after leaving their jobs, as long as they pay the entire premium.

Wee Care Day Care — where she worked for nearly 18 years and was known as "Miss Bonnie" — didn't offer coverage, and she hadn't been able to purchase an individual insurance plan because of pre-existing conditions unrelated to her cancer. She had undergone two knee-replacement surgeries.

"She was turned down by six different insurance companies," said her daughter, Johnye Varnell-Wethington, who is organizing a fundraiser to be held Aug. 4 at the American Legion's Abraham Lincoln Post 167 in Bardstown. The Varnells' church, Salem Baptist, Ed's former coworkers and Bonnie's friends from the day care are involved.

"Anything we can raise will help," Varnell-Wethington said.

So far, Varnell-Wethington has raised \$2,000. But the Varnells owe Flaget more than \$65,000, along with several thousand dollars to Jewish Hospital in Louisville.

They would owe thousands more were it not for those hospitals' charitable mission to help those in need. Flaget provided some free care, and Jewish Hospital did not charge the family the full cost of her treatment. Yet the bills have been mounting, and the Varnells are discouraged.

"We'll pay on it for the rest of our lives," Ed said.

He said he has been making minimal payments on several medical bills, but some providers have turned bills over to collection agencies.

"I've been trying to pay something on every one," he said.

Until this happened, Bonnie said, they were not the kind of people who got behind on payments.

“It’s really frustrating,” she said. “We had never been late a day in our lives.”

Fate of health reform

Bonnie now has insurance through a federal program that was created under the Patient Protection and Affordable Care Act of 2010. It costs her \$315 a month and covers most of her costs after the deductible is met, but the law stipulates that a person with a pre-existing condition must be uninsured for at least six months before she or he can be eligible.

She and her husband said they’re afraid that if President Barack Obama is not re-elected in November and the Democrats lose control of the Senate, the Republicans in Congress will repeal the Affordable Care Act and she’ll be without insurance again.

“I think it’s needed,” she said. “I know I’m not the only one.”

It’s estimated that 50 million Americans are uninsured. The percentage is higher in Kentucky, and in Nelson County, according to the United States Department of Health and Human Services, 15 percent of the population is uninsured.

While the number of uninsured has been increasing, so has health care spending.

According to a May 21 Bloomberg report, based on federal statistics, medical costs almost doubled in the last decade, rising to \$2.6 trillion in 2010.

The rising cost of health care and the growing ranks of the uninsured were among the reasons cited for passage of the Patient Protection and Affordable Care Act two years ago.

Surveys show that a majority of Americans don’t like the health law’s individual mandate, which requires most citizens to purchase insurance or pay a penalty, beginning in 2014. But most do like the provision that will prohibit insurance companies from denying coverage for people with pre-existing conditions or charging them more for it.

That provision is already in place for children, and in 2014 — assuming the law is not repealed — it will take effect for adults like Bonnie Varnell.

At that point, the PCIP program, which was a stopgap measure, will no longer be needed and will cease to exist.

If Republicans gain control of the Senate as well as the House of Representatives, a majority could vote to abolish the health care reform law entirely. And depending on who wins the White House, the vote to repeal may or may not be vetoed. The GOP nominee for the presidency, former Gov. Mitt Romney of Massachusetts — who, several years ago, signed into law the state health care reform program that was a model for the Affordable Care Act — has said he supports repealing the federal law.

So does Nelson County’s congressman, Rep. Brett Guthrie, R-Ky., who has already voted in the House to repeal the act, and Sen. Mitch McConnell of Kentucky, who is the Senate Republican leader.

McConnell told a Rotary Club audience this month in Louisville that repealing the Affordable Care Act will be the first item on his agenda if he and his party control the Senate.

The Courier-Journal quoted the senator as saying that finding ways to cover people with pre-existing conditions may be “better handled at the state level.”

“You don’t foul up the health care for 83 percent of Americans, raid Medicare for half a trillion dollars, in order to deal with these problems,” McConnell said.

McConnell and many members of Congress believe the health care act would greatly increase federal deficits. But this week, the nonpartisan Congressional Budget Office reported that undoing the law would actually increase budget deficits by \$109 billion in the next 10 years because lower Medicare spending projections and taxes on capital gains and high-cost insurance plans will more than make up for the federal subsidies for people who can't afford to pay the costs of private insurance.

The Varnells both support the Affordable Care Act, or "Obamacare." Bonnie said she has heard Romney on television say many times that he would do away with it, and she finds that distressing.

"It's so wrong," she said.

Pre-existing options

If the Patient Protection and Affordable Care Act is done away with, alternatives do exist for patients such as Bonnie Varnell who are either denied an insurance policy or can't afford the high premiums companies charge for people with existing health problems.

Those age 65 or older qualify for insurance through Medicare, and the poorest qualify for Medicaid, though Kentucky doesn't cover all those who fall below the federal poverty level, which in 2012 is \$11,170 for an individual, \$15,130 for a couple and \$23,050 for a family of four.

For children younger than 19 who do not have insurance and whose family income level is less than 200 percent of the federal poverty level, there is the Kentucky Children's Health Insurance Program, which offers free or reduced-cost insurance and is federally funded.

But for those like Varnell, who are not poor and don't yet qualify for Medicare, options are limited.

There is a state high-risk insurance pool, Kentucky Access, which allows insurance companies to sell policies to those who qualify at a lower cost than they would pay in the individual insurance market. It is funded by patients' premiums, a tobacco tax and a tax on health insurance assessments.

Some communities have private programs that help those who are needy and uninsured but don't qualify for Medicaid or other government programs.

The Nelson County Community Clinic is one such program. It was started six years ago as a community partnership that included support from the Lincoln District Health Department and Flaget Memorial Hospital, among others.

According to Jan Tronzo, the executive director, the program is for the working poor. To qualify, persons must be uninsured, employed at least part-time, have an income below the federal poverty level and be Nelson County residents.

"We have served over 1,000 people here at the clinic," Tronzo said. Currently the clinic is serving 450, but "that doesn't begin to touch the iceberg," she added.

State health departments provide free and reduced services for the medically indigent, but those services are mostly preventive care such as immunizations for influenza and other illnesses and assistance for new mothers and their babies through the Women, Infants and Children (WIC) program.

Linda Simms, executive director of the Lincoln Trail Health District, said the health department also offers assistance with prescription drugs. She said that Flaget's prescription drug program provided \$1,968,621 in non-narcotic prescriptions for Nelson County residents in 2011-12. The drugs are offered by pharmaceutical companies, so they are not generics.

Patients who are uninsured often go to hospital emergency rooms rather than doctors' offices for treatment of non-emergency medical problems because federal law prohibits ERs from turning patients away. Some of those costs are shifted to other patients. Some of the costs are absorbed by the hospital.

In the case of Flaget Memorial Hospital, it is part of the mission.

"The motto of our foundresses, the Sisters of Charity of Nazareth, is 'The love of Christ impels us.' It is that same love that impels us to care for people who are poor," Sue Downs, the president and CEO of Flaget, said in a prepared statement. "In the 2011 fiscal year, we provided \$7.9 million in community benefit. We are committed to serving all people, regardless of their ability to pay."

Amy Taylor, communications director for Flaget Memorial Hospital, said that in addition to the free prescription drugs, the hospital offers a variety of programs to help the medically indigent. The hospital, for example, provided \$300,000 toward the start-up costs of the Nelson County Community Clinic, and the Flaget Health Connection program offers free referrals, free health information, seminars and a tobacco cessation program.

"We have so many different free programs," she said.

Deeper in debt

Bonnie and Ed Varnell are grateful for the charity care they have received from Flaget and other providers, but even with that assistance, they're still in a financial bind.

Bonnie said she thinks her PCIP policy will cover any future care she needs, but she and her husband are deeply in debt, and she doesn't know how she and Ed will pay all their bills.

"It's so depressing," she said. "I want to cry."

She said she's thankful that her children and friends are hosting a benefit to help them, but it's also a little embarrassing.

"That's hard, because I've always been the giver," she said.

Benefit for Bonnie Varnell

Johnye Varnell-Wethington, daughter of Bonnie and Ed Varnell, is organizing a benefit to help pay for her mother's medical costs.

Bonnie Varnell, 59, of Bardstown, was diagnosed last November with lung cancer and is recovering after undergoing chemotherapy and radiation treatment. At the time she was treated, she had no health insurance and accumulated tens of thousands of dollars in medical bills.

Her family and friends from church, work and the community are helping with the fundraiser, which will be a pork chop dinner and silent auction from 2 to 7 p.m. Aug. 4 at the VFW Abraham Lincoln Post 167 in Bardstown.

Kentucky Pork Producers Association members will cook on site, and there will be games for children, Varnell-Wethington said.

A fund called Bursts of Love for Bonnie has been set up at First Federal Savings Bank locations in Bardstown and Elizabethtown, Varnell-Wethington said.

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