

New Rule For Health Insurance

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For U.S. workers who change or lose their jobs, a new rule issued by the Bush administration just before the end of 2004 could provide better access to group health care coverage – in keeping with changes Congress agreed to eight years ago.

The new rule, which becomes effective for health care plans starting July 1, is meant to implement more of the 1996 Health Insurance Portability and Accountability Act by making it easier to obtain group coverage.

It limits when preexisting medical conditions can be excluded from coverage and requires group health plans and group health insurance issuers to offer "special enrollment" in certain cases

The law, pushed through Congress by President Bill Clinton, was intended to guarantee access to health insurance for small businesses with 50 or fewer employees and to require that insurers renew coverage for a person or group regardless of the health status of any member of the group.

"In an era when American workers often change jobs, and even careers, several times in the course of their lives, it is important that they are able to respond to the modern workplace without having to fear for their health insurance," Health and Human Services Secretary Tommy G. Thompson said this week

Three federal agencies jointly issued the new rule based on

the 1996 law. Bush administration officials said their rule "does not significantly modify the framework" the Clinton administration proposed in April 1997 for implementing this part of the law. Yet it took 7 1/2 years for the rule to be made final.

"We have listened to public comment and worked to craft a rule that will provide maximum protection for consumers while minimizing the burden on health plans," said Medicare chief Mark McClellan.

Among other things, changes made by the Bush administration require group health plans and group health insurance issuers to give workers a statement about their rights under the law.

