

Janice Ramsey's Statement for July 21, 2005 Press Conference

Hello. Thank you for coming today to hear about my experience with an Association Health Plan that turned out to be phony.

My name is Janice Ramsey. I am 60 years old, live in Deltona, Florida, and am self-employed...going on 20 years. Currently, I consult for a custom home construction company my husband and I previously owned. I'm married – my husband is older and already covered by Medicare. We have 5 grown children and 10 grandchildren.

I've worked hard my entire life, raised a family I'm proud of, and never asked for a handout. I've always wanted to pay my own way, and I have always done so.

My health insurance problems began about 4 years ago. I had purchased a new individual health insurance policy in 1999 when the previous policy I was on became too expensive. In 2001, I received a complete surprise...a diagnosis of diabetes. Not only was I unprepared for how the disease changed my life, but I was shocked by what it did to my health insurance. The insurance company dropped my health insurance. They said that the diabetes was a condition that I didn't tell them about when I signed up for the policy. Well, if I had known about the condition, I would have told them. My doctor never... ever...told me that I had pre-diabetes or diabetes before 2001. Still, they took back my policy. I realize now I could have fought them. But I didn't know that at the time and now years have gone by.

I looked for new health insurance, meanwhile paying for my medical expenses out of our savings. I called many insurance agents and insurance companies. I was desperate. As soon as I told people I had diabetes, they told me that they could not help me. They would not send information to me. When I was able to get an application, insurance companies turned me down.

Finally, some good news (I thought at the time). An association that I was a member of for many years started to offer group insurance. Because it was a group, they had to take me. I was told that my diabetes would be covered and there would not be a preexisting condition. I was so happy to have insurance again. It gave me peace of mind that if something serious were to happen, I would be covered and wouldn't lose the retirement savings my husband and I worked so hard for ...all our lives.

The association's coverage was provided by a company called American Benefit Plans (ABP). My monthly premium was \$350, which ABP withdrew automatically from my bank account. Everything was fine for a while. Then, one night I fainted. An ambulance took me to the emergency room. They thought I was having a heart attack and did heart catheterization. Luckily, it was not a heart attack. I had to be hospitalized for exhaustion. During that time period I had been taking care of my mother who had been sick for many years and took a turn for the worse. I moved her into my home so I could take care of her. I did everything for her including cooking. I still had to run our business. My diabetes was getting worse and one day I just passed out.

The hospital bill was around \$13,000 or \$14,000. But luckily I had insurance (I thought) that would take care of the bill.

Shortly afterwards, I began to receive bills from the hospital and doctors that were not paid. I called American Benefit Plans. They would tell me that they are still reviewing the claims. While not paying claims, they continued to take the monthly premium from my bank account. I started to receive letters from collection agencies for the unpaid medical bills, threatening to report me to the credit agencies. ABP never paid a dime on any of my claims.

After several months of numerous calls to ABP listening to their excuses and not being able to get my bills paid, I called Florida's insurance department. What happened next I could not believe. The investigator at the insurance department told me that ABP is not allowed to do business in Florida and that they are being shut down. I felt like my worlds once again was falling apart.

Soon after that, I received a letter from Texas -- it was a court appointed receiver whose job it was to find people like me who were covered by ABP. I sent them all my bills. When I contacted them about the status, they told me that the bills were misplaced and that I needed to resubmit all my claims. I regret now that I did not make any copies. I needed to figure out how to get new copies and so made numerous calls to doctors and the hospital. I could not remember all the different labs and bills I had received. At the same time, my mother's condition worsened. I had to move her to a nursing home, visiting her two, three times a day. I was still running the business. By the time I was able to get copies of the bills, it was too late and I had missed the filing deadline.

Operators of the health insurance scam left me with all the medical bills and stole premium money from me. The outcome of this was that between the unpaid medical bills and the premiums, I lost over \$21,000 and became uninsured once again. Not paying the outstanding medical bills on-time, while waiting for American Benefit Plans to pay, impacted my credit.

When all of this was happening I felt betrayed. Who can you trust anymore? How can people live off other people's desperate situation...live off people who need health insurance to stay alive. Scams prey on people like me, desperate to buy good insurance.

I am no longer a member of the association. I left the association because I couldn't trust them any more. They should have checked; I trusted them to make sure that the health insurance coverage is legitimate.

Afterwards, I was so desperate I called every one in the state I could think of for help in finding health insurance. I have worked and paid taxes, and have never accepted a government hand-out. I wanted to pay for insurance. No one wanted to insure me.

I found one option. The insurance would cost nearly \$12000 a year -- \$723 per month in premium and \$3000 for an annual deductible. Worst of all, they would not cover my diabetes and anything related to the diabetes for two years. My doctor told me that diabetes can lead to many other conditions, like heart problems and that is was likely that the insurer would not cover any health problems (claiming that all health problems relate to diabetes) for two years. I could not afford to pay almost \$12,000 per year for two years and have nothing covered. I decided not to enroll.

I am currently uninsured. My doctors have been very sympathetic and kind to me. Many charge me less and they allow me to pay on a monthly basis. One doctor even performed a procedure that is usually done in a hospital. Being uninsured, I have had to forego basic prevention. When you are uninsured and have to pay cash, you just let yourself go. You are constantly afraid of what might happen to you and what it will cost. You just live in fear every day, afraid that if you get sick, you'll be financially ruined or worse.

I am afraid that I'll have to stay uninsured for another 5 years until Medicare. The system is sick. And American Benefit Plans and other scams are more than happy to take your money and leave desperate people in a bigger whole.