

# Nursing Home Patient under Custodial Care Not Entitled to Coverage from Insurance

A U.S. court of appeals holds that a nursing home patient was not entitled to coverage from her health insurance plan for her nursing home stay because she received primarily custodial care, not skilled nursing services. *Becker v. Chrysler LLC Health Care Benefits Plan* (7<sup>th</sup> Cir., No. 11-2624, Aug. 20, 2012).

Evelyn Jeranek had health insurance through her husband's employer. The plan provided that it would not cover benefits for a terminally ill enrollee whose condition is primarily custodial and no longer requires skilled nursing service. Ms. Jeranek entered a nursing home suffering from congenital heart failure, among other maladies. She refused treatment several times, as well as her doctor's recommendation that she go to the hospital.

The nursing home submitted a claim to Ms. Jeranek's insurance company, which denied the claim after finding that Ms. Jeranek had a chronic stable condition that did not require skilled nursing care. After Ms. Jeranek died, her personal representative sued the insurer, arguing that Ms. Jeranek's was a complex patient that required the care of skilled nursing personnel. The district court granted summary judgment to the insurance company, and Ms. Jeranek's personal representative appealed.

The U.S. Court of Appeals, 7<sup>th</sup> Circuit, affirms, holding that the plan did not cover Ms. Jeranek's nursing home stay because she did not receive skilled nursing services. According to the court, there is nothing in the plan that "suggests that 'skilled nursing personnel' equates with the provision of

'skilled nursing services,'" so there was a basis for the insurance company's conclusion that the care provided was entirely custodial.

For the full text of this decision, go to:  
<http://www.ca7.uscourts.gov/tmp/KX0KLNEF.pdf>.

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