

8 Deadly Mistakes to Avoid When Choosing A Health Insurance Plan!

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1. Choosing to NOT have health insurance before you need it!

- Do you get insurance on your car before or after your in an accident? The answer seems obvious, before the accident of course. At least after a car is damaged, you can fix or replace it and purchase insurance to avoid learning this lesson the hard way again.

- With health insurance, you MUST to purchase coverage before you get sick or injured. Unlike the car, once you are sick or injured, you may no longer qualify for affordable health coverage.

- Hopefully, if you are researching health coverage you have a health plan and are looking for a plan that better fits your needs. If you are currently un-insured...read on, read fast, and take action to get coverage NOW!

2. F.E.A.R. The Common Reaction to buying Health Insurance!

False Expectation Appearing Real!

Finding Excuses And Reasons!

Forget Everything And Run?

All of the above!!!

- People often put off getting health insurance because it is too expensive. Before you put off purchasing health insurance because you think it's too expensive...find out how much it really costs!

- In your 20's, you will find low cost policies starting at \$59 a mo. That is less than \$2/day. Go to www.lowcostcahealth.com and do a little free quote for yourself. Keep it simple at first, just click on the Anthem Blue Cross logo and get a quick feel for the prices on their plans for you. Not into getting a quote online, call 800-347-6145 for a free phone quote.

· **! Did you know the premiums are the same if you use an agent or if you buy without one! Even though you can quote online, and apply for coverage online, call (800) 347-6145 and ask for Pam. She will help you determine what plans is the best fit for you. Health insurance is personal and let's face it, a custom fit is always best. Go it alone only if you're a maverick, but for the rest of you, call Pam!**

3. Buy coverage ONLY FOR THE THINGS YOU NEED! DO NOT buy Coverage for the things YOU COULD AFFORD TO PAY FOR WITHOUT INSURANCE!

- Are you planning to get pregnant soon? If not, make sure your not paying more for a plan with maternity coverage.
- Is it rare that you ever need a brand name prescription? Plans with generic drug coverage only have much lower premiums.

Before you pick a health plan, make a list of what you need to have covered, and what you don't need coverage for. Fill in the little chart below and have the ready to refer to when you pick a plan. Here are some common items that are in a policy...you pick which column they go in.

Maternity/Pregnancy Coverage Brand Name drug coverage Low Premium
 Lowest cost for an office visit Lowest cost for a physical exam Dr. Choice
 Lowest cost to me if I get really sick or injured Lowest cost for baby check up (s)

Things I need in a health plan	Things I don't care to pay for in a plan
1.	1.
2.	2.
3.	3.
4.	4.
5.	5.

Now Call Pam (800-) 347-6145 and find out which plan best meets your list above!

4. FOUR FEATURES YOU MUST COMPARE WHEN SHOPPING FOR A HEALTH PLAN! (Five if you're a woman)

- Maximum Lifetime Coverage! Only look at plans with at least \$5,000,000 of lifetime benefits. In the event of a major illness or series of claims, you do not want to be told that your plan coverage has maxed out.
- Annual Out of Pocket Maximum! When all the payments you make for covered claims (not counting co-payments) reach this amount, your policy will pay 100% of covered in-network expenses for the remainder of the calendar year. This means if you ever do need a major surgery or become very ill, your costs are capped at this amount.
- Coverage for out-patient services! Some of the most basic plans cover only claims while you are in a hospital as an inpatient. Many of the most expensive services are done on an out-patient basis. They would not be covered, leaving you to pay the claims if your plan covered in-hospital care only.
- What services are covered before you have to meet the annual deductible? If what you normally use are preventive care (physical exam) visits, office visits, and a prescription now and then, most plans waive the deductible (you get the services without paying the deductible) for these services. SO...it makes more sense to pay less for a higher deductible plan than more for a lower deductible as you would likely never pay it anyway.
- For women only! If there is any chance you will become pregnant, choose a plan that either covers maternity, or that offers you a plan with maternity coverage that you can move to if you do become pregnant on a non-maternity plan.

Notice I didn't mention office visit co-payments or prescription co-payments! Co-payments do not count to meet your deductible or out of pocket maximum limits. Look for plans with no co-payments as preferred options.

5. This one may surprise you, but a high deductible is often a GREAT thing!

Raising your deductible will lower your premiums significantly! Some high deductible plans will qualify you to open a Health Savings Account. This account is much like an IRA where you can put money away, get a write off on your taxes, and get tax free interest of up to 5.12% (Be sure to deposit your funds at a FDIC Bank or Credit Union, I can tell you where I have mine J

My Personal Example: I am 49 and live in Santa Cruz County . Here are rates for me as of 05/01/2009 for Anthem Blue Cross plans...

Lumenos H.S.A. 5000 (\$5,000 deductible)	Share 5000 (\$5,000 deductible)	Share 2500 (\$2,500 deductible)	Share 500 (\$500 deductible)
\$199/mo (\$2,388/yr)	\$257/mo (3,084/yr)	\$396/mo (\$4,752/yr)	\$578 (\$6,936/yr)

With my Lumenos Plan, my annual exam and tests are paid for 100%, no cost to me. I can put up to \$3,000 into a Health Savings account at a bank or credit union and write that contribution off on my federal taxes. (I make over 30% on every dollar I save there because I take a tax write off and get the interest tax free. At my credit union, I get 5.12% federal tax free interest on my desposits. (I can show you how to get similar results). If I don't need this money to pay expenses, I keep it and it keeps earning interest for me.

“Out of the F.E.A.R. of the unknown, I could elect the low \$500 deductible plan but I would pay \$4,548 per year more in premium and not get any tax advantage savings account. If I stay healthy, I don't get a refund on the premiums paid. Personally, **I elect to save \$4,548 per year myself**”

6. Educate yourself on the Alternatives to COBRA (Kick the Snake!)

COBRA coverage is simply the plan you had with your employer offered to you at the same price that your employer had to pay. If you have been laid off since 09/2008, you may qualify for a subsidy for up to 9 months, but after that it's the full rate baby! The plan that you may have received free, will not cost you big time. Group health insurance in California is almost always more expensive than individual plan options. The reason, you did not have qualify based on your health to get group coverage. If someone in a group has AID's, Heart Problems, and Cancer, they get insurance. A healthy individual pays the same as a not so healthy individual.

IF you are healthy and not being treated for chronic conditions or taking expensive medications, you should be looking at individual plans NOW! Now is the time to get coverage while you are healthy. If you

are injured or become sick after you have individual coverage, you can not lose that coverage unless you don't pay the premiums. The insurance companies CAN NOT single you out for rate increases or be cancel you for high claims.

IF you have lost your group health insurance or think you may be facing lay offs...CALL ME NOW!!!! Time can be your best friend or enemy in these cases.

7. GET A FREE CONSULTANT, GET INFORMED, AND STAY COVERED!

People with health insurance often put off important care because they don't understand their policy. If you have a plan, get a free consultation to understand what is covered and what is not. Don't FEAR asking questions, getting you answers to your questions is my privilege.

8. NO INSURANCE IS SELF INSURANCE!

If you do not have health insurance, you are self-insured. You will pay more for services and care because you to not get discounted rates bargained for you. (Those with insurance pay an average of 40% less than those with no insurance because of negotiated discounts). Personal bankruptcy is most often caused by a large health claim that a self-insured or under-insured person could not pay. Don't put yourself in that position.

RECAP

Get health insurance BEFORE you need it.

Don't put off buying insurance at of F.E.A.R.

Buy what you need, don't pay for coverage you don't need.

Compare the 4 important points mentioned with researching your purchase.

A High Deductible is Often a great thing. Look at HSA eligible plans!

Educate yourself on Alternatives to COBRA coverage. (Kick the snake!)

Get free consultant assistance, get informed, and get covered!

No Insurance.....is Self Insurance!