

# Health Insurance

## Customizing Your Strategy

Individual policies can be tailored to provide essential protection while eliminating unnecessary features and costs. For this reason, an individual policy can be more cost effective than a group policy.

When reviewing your health insurance coverage, consider the following:

1. **Deductibles** - Calculate the long-term premium savings achieved with a higher deductible versus the larger premium associated with a lower deductible.
2. **Co-insurance** - Beyond the deductible, what percentage of the expense must you pay...0%, 10%, 20%? More importantly - how long do you pay this co-insurance percentage before the policy begins to pay 100%?
3. **Routine Maternity Benefits** - This is normally an optional rider. **Complications** of pregnancy are typically covered under the base policy. *Consider the long-term premium savings of omitting this rider versus the maximum exposure to routine maternity expenses.*
4. **Prescription Drug Coverage** - Outpatient drugs are normally subject to an annual deductible. A prescription drug card may be available as an optional benefit with additional premium. Prescriptions can then be filled at participating pharmacies for a co-payment and are not subject to the deductible.
5. **Preferred Provider Organization Option** - Premiums are generally lower when a PPO network is selected. With a PPO option, you are encouraged to seek treatment from network hospitals and physicians to receive the maximum benefits. If non-emergency care is received from non-network providers, benefits are usually reduced.
6. **Risk Pool** - For the uninsurable, many states offer a guaranteed issue major medical policy.
7. **COBRA** - Companies with more than 20 full-time employees are required to allow their former employees to continue their group health insurance for up to 18 months. The employee is responsible for the full premium. For those in good health, an individual health policy may be more cost effective.
8. **HIPAA** - The Insurance Portability and Accountability Act made it easier for individuals with existing health insurance to change jobs and still maintain health insurance coverage. It guarantees the availability of individual health insurance to individuals who have exhausted their 18-month COBRA option. Specific benefits and requirements vary by state.
9. **Federal Healthcare Regulation** - All lifetime limits on health insurance benefits have been removed on policies effective after September 23, 2010. Another added benefit with policies effective after September 23 is that certain preventative services such as mammograms, colonoscopies and routine vaccinations are covered 100% with no deductible, co-pay or coinsurance.