

### **The Most Important Things to Keep in Mind When Shopping for an Individual Health Insurance Policy**

- ✓ Do not let your current health insurance coverage lapse before you have a new policy in effect.
  - ➔ If you have had employer sponsored group health insurance, a short term option while you shop for other health insurance may be “COBRA Continuation Coverage”. COBRA is federally mandated access to temporary health insurance coverage for certain former employees, retirees, spouses, former spouses, and dependent children at group rates. This coverage, however, is only available when coverage is lost due to certain specific events. Group health coverage for COBRA participants is usually more expensive than health coverage for active employees, since usually the employer pays a part of the premium for active employees while COBRA participants pay the entire premium plus an administrative fee. For more information on COBRA Continuation Coverage go to <http://www.dol.gov/ebsa/faqs>
  - ➔ If your current health insurance policy lapses, you may very well face a difficult process, involving medical reviews and denials for preexisting conditions in order to get new health insurance. This is particularly true when looking for an individual health insurance policy as opposed to health insurance through an employer.
  - ➔ Make sure that the new health insurance coverage is in effect before canceling your old policy.
- ✓ Shop for health insurance policies from large, well known, reputable companies. You can check with your state health insurance department to see what the company’s status is in your state by calling the National Association of Insurance Commissioners @ 1-866-470-6246 and getting the phone number for your state health insurance department. You can also look at credit rating services such as Moody’s or Standards and Poor’s to determine the company’s financial soundness.
- ✓ The term “health insurance” refers to a very wide array of types of health insurance benefits. When you are shopping for individual health insurance, look very carefully at the types of benefits that are covered and the amounts covered for each benefit.

- ✓ At a minimum make sure that the policy includes a “Major Medical” benefit for “full hospitalization” with a minimum of one million dollars in coverage.
  - ➡ There are many other useful benefits including primary health care, psychiatric care, pharmaceuticals, outpatient services, etc. Evaluate each plan and associated costs carefully.
  - ➡ Maternity Care benefits are very hard to come by in the individual health insurance market. It’s best to shop well in advance if you think you will have a need for this benefit.
- ✓ Don’t over look some of the new options in health insurance coverage such as the High Deductible Health Plans (HDHP) used along with a Health Savings Account (HSA). These plans may be the most affordable; tax advantaged plans available to you.
- ✓ Consider shopping for health insurance through your social, community and business affiliations. Your local chamber of commerce may offer access to individual health insurance.
- ✓ If you or your spouse is retired military, you may be eligible for TRICARE or Veteran Administration (VA) health benefits.
- ✓ A health insurance broker may be an effective means to assist you in shopping for an individual health insurance policy. Evaluate the broker using these same factors that are listed above. Use a health insurance broker who is established in the business and has a track record of proper business practices. You can verify a potential broker’s status with you state health insurance department and the Better Business Bureau.
- ✓ **If you need advice, ask for it!**
  - ➡ **Call us; toll free @ 866-696-6543** for a consultation because we *are your expert on healthcare costs!*