

December 2011

INSURANCE *Tips*

Free help with your insurance questions or complaints

Consumer Advocacy
Hotline

Toll-free
1-888-877-4894

Salem
503-947-7984

E-mail
cp.ins@state.or.us

Follow DCBS on
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twitter.com/OregonDCBS

Insurance Division
350 Winter St. NE
P.O. Box 14480
Salem, OR 97309-0405
Phone: 503-947-7980
Fax: 503-378-4351
Web: insurance.oregon.gov



If you don't get health insurance through an employer, you may seek health insurance for you or your family on your own. Individual/family insurance policies offer countless combinations of coverage at various costs. Comparing policies of insurance companies will help you find individual coverage that fits your medical needs and your wallet.

Who can buy an individual health benefit plan?

- ▶ Anyone can apply but people **age 19 and older** must fill out the "Oregon Standard Health Statement." This asks about your medical history for the most recent five years. All companies use this statement to decide if adults qualify based on health.
- ▶ Answer accurately and truthfully (don't forget to include prescription drug use when answering questions). If you commit fraud or intentionally misrepresent a material fact on an application, the company can rescind your policy. If this happens, you will have to pay all of the medical bills you accumulated when you thought you had insurance.
- ▶ Family members who are **19 and older** may be denied coverage because of a pre-existing condition. If so, they can apply for coverage through state-run high-risk pools that serve Oregonians who get turned down for health insurance. Learn more at www.omip.state.or.us.
- ▶ If you are **19 or older** and pregnant when you apply for an individual health plan, an insurance company may legally decide not to insure you and your spouse.

Under 19?

- ▶ Insurers cannot deny coverage to you based on your health.
- ▶ Children may also qualify for coverage through Oregon's Healthy Kids program (see next page).

Shopping

- ▶ You can buy an individual policy for you or your family directly from an insurance company or through an agent who can help you assess your needs and comparison shop. This federal website lists health coverage choices by zip code: healthcare.gov.

Questions to ask when comparing cost

- ▶ How much is the monthly premium?
- ▶ How much is the deductible, the amount you pay before the insurance company kicks in? Is the deductible amount per person or per family? Are there separate deductibles for medical costs and prescription costs? Typically, the higher the deductible, the lower the monthly premium.
- ▶ How much are the co-payments? What about other out-of-pocket costs, such as a percentage you pay for hospitalization?

Continued

- ▶ In the worst-case scenario, what is the most you will pay in a calendar year for covered services (the out-of-pocket maximum)?
- ▶ How does the policy cover medical services outside Oregon and abroad?

Questions to ask when comparing benefits

- ▶ What is covered? What is excluded? Are prescription drugs included? Are any drugs you take included?
- ▶ Is there a benefit maximum, leaving you to pay a big part of a bill?
- ▶ Are your doctors and hospitals in-network so that you pay the least amount possible? How much more do you pay to use doctors or other providers not in the network?
- ▶ Does the policy require prior authorization for services?
- ▶ Does the insurer contract with an adequate number of doctors and other medical providers where you live? Most plans offer online plan provider directories.

Free-look

- ▶ Once you buy insurance, you have a minimum of 10 days to review the policy and get your money back if you decide the coverage doesn't meet your needs.

Warning: Discount and limited benefit plans

- ▶ Medical discount plans are not health insurance. They simply offer a discount from doctors, pharmacists, and others who contract with the plan. Learn more at http://insurance.oregon.gov/consumer/health-insurance/health_medical-discount-plans.html.
- ▶ You may be tempted by **limited benefit** policies that promise affordable rates at a monthly price well below the average. However, the low monthly premium may come at a high cost if you suffer a heart attack or get cancer. Policies that charge less cover less. Look beyond the lowest premium. Consider coverage, as well.
- ▶ Look at what medical care actually costs. A hospital benefit of \$500 a day covers only a fraction of hospital charges. An \$800 allowance for an X-ray or laboratory test might not cover the cost of a more expensive test like an MRI.
- ▶ Check with the Insurance Division to see if an insurer is licensed in Oregon, as required. Legitimate companies make sure their names are prominent in online and print advertising. If you can't figure out who the insurer is, call and ask one of our consumer advocates for help: **1-888-877-4894 (toll-free) or 503-947-7984**.

Paying for coverage

- ▶ Your monthly premium for health insurance depends on your plan choices, your age, and family size. Once you have insurance, rates can be increased annually. Increases typically reflect growth in medical costs.
- ▶ You may see additional increases if you move into a new age bracket.
- ▶ Once you have insurance, a company can't end your coverage if you get sick. Your rates don't go up based on your health status or use of medical services.

Limited income

You or a family member may qualify for a low-cost or free option.

- ▶ **Oregon Health Plan (OHP):** Oregon's Medicaid program provides health care coverage to low-income Oregonians. **1-800-359-9517**
- ▶ **Oregon Healthy Kids Program:** Oregon's Healthy Kids program provides free or affordable health care for children 18 and under. **1-877-314-5678**
- ▶ **Family Health Insurance Assistance Program (FHIAP):** This program helps Oregonians pay the premiums for health insurance through their employer or through an individual health plan. **1-888-564-9669**
- ▶ **Free or Reduced Price Clinics:** Federally funded health centers offer free care in both urban and rural areas.