

## 6 Ways to Lower Your Health Insurance Bill

The cost of 'health' insurance continues to rise at double digit rates. How can people continue to get financial protection for large medical bills without going broke in the process?

1. Unless you are already a big user of the medical system don't expect to beat the insurance companies. If you are reasonably healthy without any chronic, ongoing medical requirements for doctor visits and prescriptions then find a plan that reflects your behavior. In order to adequately price the heavy and frequent user, doctor office copay plans with full prescriptions and no deductibles cost plenty versus plans that cover you just for more expensive medical treatments. Most people over-insure for their out of pocket needs.
2. If someone in your family does have a chronic condition requiring a full service plan then put that person on that kind of plan and the rest of the family members on a less expensive plan. Health insurance is about paying the bills. There is no requirement that people overpay for their own coverage if the one person in the family needing full coverage is able to get it by himself. This applies to maternity as well.
3. Contrary to what most people believe, 'group' plans cost a lot more than 'individual' or 'family' plans. The reason for this is that by federal law, 'group' plans are 'guaranteed issue', i.e. there is no underwriting leeway, they have to take on people with major medical problems, smokers, the obese and the hypochondriacal and charge them the same rate as healthy marathon runners. The latter subsidizes the former.
4. On the other side of the coin if you are currently uninsured because you couldn't qualify for restrictively underwritten plans, there is good news. there is a mandate requiring group insurance companies (Blue Cross, Aetna, Healthnet, et al) to offer 'guaranteed issue' (no underwriting declinations) to 'one' person 'groups', i.e. the self employed. The insurance companies are not advertising this fact but a good agent would steer you in helping you get approved for these if need be.
5. If you are looking to get into a less expensive insurance plan be mindful of your last year's medical usage. Companies look askance at chronic, ongoing illnesses that would represent large costs going into their plans. Typically they would exclude coverage for these types of things or at the very least charge you more money. Insurance companies look at the 'tincture of time' in determining whether there is full recovery. This applies to prescription usage also.
6. Remember that insurance companies differ in their underwriting processes. Let me give you an example. There is at least one company that has no difficulty in insuring applicants who are taking meds for high blood pressure and cholesterol but turn down anyone who has been to a therapist. There are other companies who feel the opposite. Find an agent who knows this ahead of time. You want to avoid getting turned down since this is reported to the medical information bureau. Typically other companies often automatically turn you down if this has already happened. You pay no more for having an agent than going to the companies directly.

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