

WHAT TO ASK WHEN

# Shopping for Health Insurance



# Prepared by the **National Association of Insurance Commissioners**

As part of our state-based system of insurance regulation in the United States, the National Association of Insurance Commissioners (NAIC) provides expertise, data, and analysis for insurance commissioners to effectively regulate the industry and protect consumers. The U.S. standard-setting organization is governed by the chief insurance regulators from the 50 states, the District of Columbia and five U.S. territories. Through the NAIC, state insurance regulators establish standards and best practices, conduct peer reviews, and coordinate regulatory oversight. NAIC staff supports these efforts and represents the collective views of state regulators domestically and internationally. For more information, visit **[www.naic.org](http://www.naic.org)**.

---

## **National Association of Insurance Commissioners**

1100 Walnut Street, Suite 1500

Kansas City, MO 64106-2197

(816) 842-3600





Getting the right information can help you choose the right health insurance for you and your family. Here are some questions to ask yourself before you start to look for insurance and some questions to ask anyone who offers you coverage.

We all know health insurance can be complicated. There are differences in what is covered and what you will have to pay out of pocket. With so many options and information out there, it makes it even more difficult to sort through when you get solicited for health insurance online or by phone. Scammers like the anonymity of telemarketing and take advantage of that confusion. Check out Phone and Online Solicitations section below. This section offers some simple questions you can ask so that you are not taken advantage of by a scammer.

If you need help to understand health insurance, you can visit with a licensed insurance agent or a navigator. Your State Department of Insurance also may have helpful information on its website. You can find definitions of health insurance terms on [healthcare.gov](https://www.healthcare.gov). If you're a senior, you also can contact your state's SHIP program or call 1-800-MEDICARE to talk to someone about health insurance for seniors.

## QUESTIONS TO ASK YOURSELF

QUESTIONS	WHY IT'S IMPORTANT
<b>Why do you need health insurance?</b>	Life is full of surprises. Insurance helps you prepare for the unexpected, like an accident or an illness. A single trip to an emergency room can lead to a bill of thousands of dollars.
<b>Is the plan with the lowest premium really the most affordable?</b>	Plans with lower premiums often have more limited benefits. You should consider not only the cost of premiums, but also how much you'll pay out-of-pocket when you need health care.
<b>Who are you buying health insurance for?</b>	You might need coverage just for yourself, just for a family member, or for the whole family.
<b>How long do you need health insurance – a full year or for a few months?</b>	Some plans might be limited to a few months. Others will cover you for an entire year and then that coverage can be renewed.
<b>Do you have a known health condition (a pre-existing condition)?</b>	<p>Even if you look and feel healthy, you may not be getting the routine care necessary to identify the unexpected. Thinking about your family health history, your current health conditions, prescription drugs you may need, and the health services you need will help you understand the coverage you want. But remember, accidents and unexpected illnesses happen, so you might need services you don't expect.</p> <p>Many plans cover services to treat pre-existing conditions, but some don't.</p>
<b>What prescription drugs do you need?</b>	
<b>Do you have any chronic health conditions, like high blood pressure, diabetes or an autoimmune disorder? Even if you haven't been to a doctor, are you in pain or having problems you believe will result in any health care services or treatment?</b>	

QUESTIONS	WHY IT'S IMPORTANT
<b>Do you have a family doctor or hospital?</b>	You'll pay less to see providers that accept your health insurance – which may not include your family doctor or hospital. The terms to know are “in-network”, “tiered network”, “non-participating” and “out of network.” Many plans pay more of the costs for services you get from doctors or facilities in the plan’s network.
<b>Are you ready to pay the full cost for services until a deductible is reached?</b>	The deductible is the amount you pay before your insurance company starts paying their share of the cost of care. Even with insurance, you pay the full cost of services until you meet your plan’s deductible.
<b>Are you able to pay the full cost for services if the plan limits how much it will pay?</b>	Some plans only pay up to a certain dollar amount; you may have to pay the cost beyond that amount.

## PHONE AND ONLINE SOLICITATIONS



Whether you're shopping to find health insurance coverage online, a telemarketer calls, or you get an email selling health insurance, there are several important tips you should follow.

- No matter what - don't make a decision or buy a health policy after a single phone call or website visit. There's no such thing as a limited time offer or a "special" in health insurance.
- Research the insurance company BEFORE you buy anything.
  - Check your state Department of Insurance website to make sure the insurance company (and agent if you're talking to someone) is licensed.
  - Ask your state Department of Insurance if there are any complaints against the insurance company or the agent. You also can check the National Association of Insurance Commissioners' (NAIC) Consumer Information Search for information about complaints against the insurance company.
- Never give any personal information such as your social security, bank account or credit card numbers until you decide what health plan to buy. You don't need to give this information to get a quote.
- Avoid clicking on any advertisement links that pop up on websites.
- Avoid any websites that require you to create an account before you can see any information about health insurance plans.

## QUESTIONS TO ASK IF YOU RECEIVE A PHONE CALL ABOUT HEALTH INSURANCE

QUESTIONS	WHY IT'S IMPORTANT
<b>How did you get my information?</b>	<p>Life is full of surprises. Insurance helps you prepare for the unexpected, like an accident or an illness. A single trip to an emergency room can lead to a bill of thousands of dollars. Consumers sometime get phone calls trying to sell health insurance. Rarely do these phone calls come directly from insurance companies. Most of the time, these calls come from agents or telemarketing centers. Sometimes the callers don't give consumers complete information, or the purpose of the call is to gather personal information to use for other purposes. It's best to get as much information as possible so you can verify important information with the Department of Insurance before you buy. Make sure you are always talking to a licensed insurance agent.</p>
<b>May I have your full name and contact information, please?</b>	
<b>What is the exact name of your company and where are you located?</b>	
<b>Is your company licensed? Are you a licensed insurance agent? If so, what's your license number for (state)?</b>	
<b>What's the exact name of the insurance company on the policy and the name/type of policy I would be buying?</b>	
<b>What's your company's phone number?</b>	
<b>Will I need to pay a fee to join a group?</b>	<p>You should be told about all fees upfront. Sometimes, agents sell for associations that charge a separate membership fee plus the premium. Asking about fees from the beginning means you'll know your total costs.</p>
<b>Please send a copy of the information to me through the mail.</b>	<p>With a paper copy you can take your time to make sure the policy is as described. You also have information to share with your Department of Insurance to make sure the policy is a legal product.</p>
<b>Can I call you back after I've read your plan information?</b>	<p>Real insurance companies shouldn't rush you to make the decision. There are no "limited time offers" or "specials" on health insurance.</p>

## QUESTIONS TO ASK ABOUT A PLAN YOU'RE CONSIDERING

QUESTIONS	WHY IT'S IMPORTANT
<b>Is this a marketplace plan?</b>	Plans sold through your state's marketplace or healthcare.gov cover a standard set of benefits and include certain consumer protections. Federal premium tax credits can only be used to help pay for marketplace plans.
<b>Does this plan cover the same benefits as a marketplace plan?</b>	If a plan isn't sold on the marketplace, it may not have the same benefits. It's important to ask questions such as "Can I get insurance even if I have a pre-existing condition?" Is there coverage for Essential Health Benefits? Are prescription drug benefits included? Are preventive services covered at no cost to me?
<b>Does the plan cover pre-existing conditions?</b>	Remember that many plans cover services to treat pre-existing conditions, but some don't.
<b>What benefits doesn't this plan cover, and what benefits have limits?</b>	Some plans may limit or not cover services that may be important to you.
<b>Where can I find out whether this plan covers my prescription drugs?</b>	If you need a specific prescription, you can review the plan's formulary (a listing of what drugs are covered) to learn if the drug is covered.
<b>Where can I find the list of health care providers in this plan's network?</b>	Each insurance company with a network of providers has a provider directory. You should have access to it <i>before</i> you buy a policy.
<b>What is the monthly premium I would pay for this plan?</b>	The premium is the amount you'll pay each month to have coverage. You need to pay your premium each month or you'll lose your coverage.
<b>What out-of-pocket costs will I have to pay when I need services?</b>	Depending on your insurance plan, your insurance company may pay most of the cost of your care. But you're responsible for premiums and out-of-pocket costs such as copays, deductibles and coinsurance.

QUESTIONS	WHY IT'S IMPORTANT
<b>What is the deductible?</b>	The deductible is the amount you pay before your insurance company starts paying its share of the costs. Most plans with lower premiums have higher deductibles.
<b>Is there a maximum I would have to pay out-of-pocket?</b>	A maximum out-of-pocket amount protects you by limiting the total you'll have to pay out-of-pocket each year. Once you reach this amount, the plan will pay the rest of the cost of covered services. In some plans there's no limit on how much your out of pocket costs could be.
<b>Is there a limit on what the plan pays, per day, per year, or over my lifetime?</b>	A limit on what the plan pays means you may have to pay the cost of services over this limit.
<b>How long does this plan last?</b>	Some plans cover you throughout the year and can be renewed. Others may have a shorter term and might consider your health conditions at renewal – and could even refuse to renew the policy.
<b>Am I guaranteed the right to renew this plan?</b>	

**NOTES:**

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____