

4 Things You Can Do Today to Lower Your Monthly Health Insurance Premiums, WITHOUT Changing Your Health Insurance Company



The recent passing of the health reform bill is creating both a stir AND confusion among both insurance professionals and consumers. There are varying opinions regarding whether consumers as a whole will be better or worse off as a result of the new regulations. However, nobody within the insurance industry disagrees that health insurance plans are going to change and for most, costs will rise.

Therefore, we have compiled four very easy to do strategies that you can use immediately to lower the monthly costs of your health insurance without changing health insurance companies or agents. Furthermore, these strategies can not only decrease your monthly premiums, they can, if implemented, provide you MORE comprehensive coverage than you most likely have now, save you money on a monthly basis and limit your overall financial risk of a large unexpected medical expense. These 4 simple strategies are:

1. **Increase your deductible:** Remember the higher the deductible the lower your monthly premiums. However if you increase your deductible you increase the amount you are responsible for before any benefits are paid by the insurance company. If you don't feel comfortable with a high deductible, you can inexpensively cover your deductibles AND your annual out-of-pocket maximum limits by supplementing your health plan with inexpensive ancillary plans like critical illness and accident/injury coverage. You will find that you can dramatically decrease your monthly health insurance costs by increasing the deductible then purchasing supplemental critical illness and injury coverage. The top producing agents in the

country use these plans regularly in conjunction with a major medical plan to reduce monthly premium costs while decreasing their clients financial exposure to as little as \$100 for medical expenses due to injury or critical illness. These plans are very affordable and can literally save you thousands of dollars of medical expense by filling the gaps that are in EVERY medical plan. You can cover everyone in your family for up to \$10,000 for expenses incurred due to an injury, for less than \$50 per month. These plans are considered the best kept secret in health insurance.

2. **Change to an HSA qualified plan:** An HSA is basically a modified PPO plan. In most HSA plans there are NO co-pay benefits for office visits or RX drugs. Which means you would have to pay for those out of pocket. However, you would only be charged the negotiated insurance rate, which is typically 50% of the standard rates. With most insurance company rates you can save as much as 25%-40% off standard PPO rates by converting to an HSA PPO plan. If you are concerned with potential out of pocket costs you can supplement you HSA plan with an ancillary accident/injury, critical illness or RX drug plan to offset those costs and still save premium cost each month versus the cost of a traditional PPO plan.

3. **Change from a full RX plan to generic only:** Most health insurance plans with full RX prescription coverage (co-pays for both Brand & Generic drugs) have a deductible you must meet BEFORE you are eligible for the brand drug co-pay. Some brand deductibles are as high as \$700 before you qualify for the \$35 co-pay. This

means, you are required to pay the standard cost of the brand drug until you reach the brand drug deductible. Most families will NEVER reach that deductible for brand drugs in one year. Furthermore, these plans can cost as much as \$30-\$50 per month more in premium costs. So for the most part you are paying \$360-\$600 more per year for a benefit you are most likely not going to use, and you will have to be out of pocket up to \$700 per year before the benefit kicks in. So choose the generic plan and then pay the standard rate for the brand drug when and if it's prescribed.

- 4. Put the adults and children on separate plans:** In most cases this will save monthly premium. Also make sure that the youngest spouse is the applicant. Health insurance rates are determined by the age of the applicant NOT the secondary spouse. Also you can place the adults on an HSA qualified plan and leave the children on a traditional PPO plan with co-pays for Doctor office visits and RX drugs. The difference in premium for an HSA plan versus a traditional PPO plan is substantial for adults but negligible for children's rates. For example you could save hundreds of dollars per month to convert the adults to an HSA plan; however, the savings for the children is usually less than \$10 per month. So you may find that it makes more sense to have the adults on an HSA PPO, keep the children on the PPO plan with co-pays and you will still realize a substantial monthly premium savings and retain the co-pay benefits for your children.

All of these recommendations can usually be accomplished without changing health insurance companies. However should you find that your current company is not cooperating with you, it may be well worth it to explore coverage with another company and implementing all of these cost saving tactics. For more information on how to maximize your coverage while lowering your premiums, visit the information website <http://injurycoverage.smathersinsurance.biz> or call me directly at 814-226-5000

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