

# Not All Health Plans are the Same, Know What You're Signing Up For

*Consumer protection laws govern some types of health coverage like plans offered through an employer or through the Marketplace. Other types of plans aren't required to protect consumers in the same way. Protect yourself by better understanding these other types of plans like health care sharing ministries (HCSMs), short-term limited-duration plans, and discount plans.*

## **Health Care Sharing Ministries (HCSMs)**

You might have heard about HCSMs. In HCSMs, the members share the costs of health care. In Virginia, an HCSM can only operate if its members are of the same religion. Before you sign up for an HCSM, there are some things to know:

- HCSMs do not have to comply with the consumer protections of the federal Affordable Care Act (ACA), like covering treatments for pre-existing conditions or capping your out-of-pocket costs.
- HCSMs are not insurance, and they can't guarantee payment of claims. They may share funds with members who have health needs, but they are not legally required to do so.
- State insurance regulators don't supervise HCSMs.
- HCSMs usually don't have provider networks. Members may be charged full price by doctors and hospitals.
- The health care services HCSMs pay for may be much more limited than ACA-compliant plans. HCSMs may provide value to some, but they may pose a risk to others.

## **Short-Term Limited-Duration Plans**

Short-term limited-duration plans are available to fill temporary coverage gaps. While they are typically cheaper than comprehensive coverage, they offer limited benefits, exclude services, and have higher levels of consumer cost-sharing. Before you buy a short-term limited-duration plan, consider:

- This type of plan is not subject to ACA rules.
- Carriers must not accept applications or issue short-term limited-duration plans, to include a certificate delivered in Virginia, during an open enrollment period.
- STLD coverage must not exceed 6 months in any 12-month period.
- These plans may deny coverage or exclude services because of a pre-existing condition.
- These plans may put daily, annual, or lifetime dollar limits on benefits.
- Your premium may vary because of your health issues.
- Coverage may be denied or not renewed because of your health issues.
- These plans are not available through the Health Insurance Marketplace.
- Most short-term limited-duration plans are sold through an out-of-state group or association and are not subject to all the laws of Virginia.
- If you decide to buy a short-term limited-duration plan, a list of companies recognized in Virginia to sell these plans is found [here](#).

## **Discount Plans**

You might have seen ads offering discounts on health care services for a fee. Before you buy a discount plan, here are some things to know:

- These are not health insurance plans and do not offer the same protections.
- Thoroughly investigate any offer promising deep discounts for a "low fee."
- Weigh the risks and benefits carefully.

**This information should be used for educational purposes only. It is not an endorsement of any product, service, person or organization mentioned in this material.**

# DO YOUR RESEARCH!!!

**Before signing up for any plan, it's important to decide what health care services you and your family may need and check whether those services are covered.**

- ✓ In Virginia, [www.HealthCare.gov](http://www.HealthCare.gov) is the official website to buy ACA plans. Watch out for websites with similar names.
- ✓ Make sure the agent, agency or company is licensed in Virginia via our website at: [scc.virginia.gov/pages/Insurance](http://scc.virginia.gov/pages/Insurance).
- ✓ Before signing up, be sure to understand how the program works and what benefits you or your family can count on. Ask for the policy and premium in writing.
- ✓ Use the [Health Plan Coverage Comparison Tool](#) for plan comparisons.
- ✓ To find out if are eligible for financial assistance through the Marketplace visit [www.HealthCare.gov](http://www.HealthCare.gov).
- ✓ If not eligible, you may find lower cost off-exchange ACA-compliant plan options through <https://finder.healthcare.gov>.
- ✓ To find out if you qualify for Medicaid or FAMIS, go to [www.coverva.org](http://www.coverva.org).
- ✓ For more information contact the Bureau of Insurance toll-free at 1-877-310-6560 or online at [scc.virginia.gov/pages/Insurance](http://scc.virginia.gov/pages/Insurance).

## BE AWARE

### **Tips that what is being offered is not an ACA policy:**

- ✓ Were you contacted to buy individual health insurance through an "enrollment period" outside of the official open enrollment period (November 1 – January 15)?
- ✓ Were you asked questions about your health?
- ✓ Does the plan disclose that it does not meet requirements of the Affordable Care Act (ACA)?
- ✓ Were you contacted? The federal government will not call to sell you health insurance. Do not give your: Social Security number, bank account details or health information to a cold caller. Never agree to any request to send money over the phone.

## Key Differences Among Various Types of Health Care Payment Plans

	Marketplace ACA Plans	Health Care Sharing Ministries	Short-Term Limited- Duration Plans	Discount Plans
Federal financial help available to pay premiums and cost share	√			
Covers Essential Health Benefits	√			
Plan cannot decline to cover a person based on their health	√			
Plan cannot deny covering care because of a pre-existing health condition	√			
Provides 12 months of coverage with guaranteed renewal	√			
Plan cannot put an annual or lifetime dollar limit on the amount they pay for essential health benefits	√			
Backed by a state guaranty association if the company goes insolvent	√			
Bureau of Insurance can investigate complaints on your behalf	√		√	
The plan is a regulated insurance product	√		√	
Is available for purchase at any time during the year		√		√