

Resolving to Perform an 'Insurance Checkup' in New Year

Many people make New Year's resolutions to improve their health, such as snuffing a smoking habit, joining a gym or scheduling a checkup. But they rarely think about health insurance.

In 2013, you may want to preserve your financial health by making an "insurance checkup" one of your resolutions. Make certain you have enough coverage and the right type of coverage, because circumstances can change a lot in just 12 months. For instance, did you change jobs, decide to start a family or discover that your child may need braces? If so, your health insurance may no longer be adequate and a "checkup" may be just what the doctor ordered.

But how do you evaluate your current coverage? It's a big responsibility, especially if you, rather than an employer, are selecting and paying for your insurance. There are so many choices, it's difficult to know which is best for you and your family.

"It's important for consumers to consider all their needs, their budget and what fits their lifestyle," said Scott Krienke, senior vice president of product and marketing at Assurant Health. "Having a one-on-one session with an agent to walk through those considerations can be extremely valuable."



There are many types of health insurance available, including:

- Major medical plans, which can be offered by employers and generally offer the broadest protection against large, unexpected medical expenses. Under the Affordable Care Act, these plans now cover 100% of many preventive services.
- High-deductible plans, a type of major medical plan, tend to have lower premiums because customers pay more medical costs up front.
- Fixed-benefit plans generally pay a set amount of cash when you have a covered medical service. They do not reimburse based on the cost of service. For example, if the plan pays \$50 for a doctor's visit, but it costs \$125, after applying the plan payment of \$50, you would owe \$75. If the cost is less than \$50, you keep the difference.
- Supplemental coverage, which can provide add-on benefits to other health insurance plans and can include dental, accidents and critical illness coverage.

Here are some questions that can help determine the type of coverage you need.

- Am I happy with my current coverage? Why or why not?
- Do I have assets, like a house and savings, to protect?
- What is my budget?
- What is the maximum out-of-pocket cost I will pay?
- Is my current doctor in the network?
- What trade-offs am I willing to make to achieve a lower premium?

"There are so many things to consider, we encourage people to put together a list before meeting with an agent to make certain you get all your questions answered," Krienke said. "Choosing the plan with the lowest premium is not always the best choice or the most economical. There are lots of options on the market today for all income levels.

"It's important for consumers to take time to understand what a particular health plan covers and what it does not. They should be confident the plan will be a good fit - one that provides real value by addressing their specific needs," Krienke says. "That's what insurance is all about."