Consumers for Quality Care

Health Literacy Month 2020: What to Look for When Choosing Insurance

The coronavirus pandemic has had serious consequences for millions of Americans, including lost health care coverage and job insecurity. October is Health Literacy Month, and as Open Enrollment approaches, Consumers for Quality Care is committed to ensuring every American understands potential pitfalls when selecting a new insurance plan.

Whatever the source for coverage, Americans need to be thinking seriously about ensuring they and their families have quality health insurance for the long term. Here are three issues you should be on the lookout for now and throughout the year:

Surprise Medical Bills

We expect that our health care premiums will cover most of our hospital costs, but many still receive surprise medical bills. Many surprise hospital bills result from "balance billing" for treatment at in-network facilities by out-of-network providers. Others result from a lack of customer understanding of complex health benefits and opaque pricing, and still others are a result of billing errors. As hospitals increasingly turn to predatory practices like lawsuits and wage garnishments to recoup unpaid medical bills, it is more important than ever for consumers to be aware of their options.

What You Can Do: Review bills closely and look out for mistakes or billing errors. Also, watch out for out-of-network providers serving at in-network facilities. Finally, encourage your lawmakers to support legislation to address surprise bills at the state and federal levels.

Short-Term Limited Duration Health Insurance

STLDI plans can exclude coverage for preexisting conditions, have dollar value limits on covered services, are not required to cover preventive services, and have a host of other substantial risks for consumers. Last year, the Trump administration issued a rule expanding the maximum period for which STLDI plans can be offered, causing these barebones plans to proliferate. As millions of Americans are searching for low-cost coverage options amid unprecedented income losses, these dangerous plans are becoming even more popular.

What You Can Do: While bare-bones STLDI plans may appear less expensive, we urge consumers to steer clear of these plans that can leave patients with large surprise bills for uncovered care. These policies can be complex, but it is important to read the fine print and consider your options carefully.

Accumulator Adjustment Programs

Many Americans rely on medicines to manage their conditions. With copay adjustment – or accumulator adjustment – programs, insurers no longer allow drug cost sharing coupons to count towards patients' deductibles or caps on total out-of-pocket costs. Americans are already struggling during the coronavirus public health crisis. Historic levels of unemployment mean millions of people have lost their employer-sponsored health insurance and even fewer are able to afford their out-of-pocket health care costs. A new CMS rule finalized this year expands these accumulator adjustment programs and unfairly raise the costs of prescription medications for millions of Americans in a time when many can least afford it.

What You Can Do: Tell your representatives in Congress to support H.R. 7647 and delay implementation of the new CMS rule until at least after the coronavirus pandemic has waned. If you currently use a coupon to help pay for your prescription drugs and have a choice of insurance plans, you should contact your insurer or the human resources department at your employer to find out if you will face any restrictions. If your plan limits your ability to use a coupon to help pay for your prescription medications, you should file an appeal with your insurance company and speak up about how harmful accumulator adjustment programs can be by contacting your state insurance commissioner.