



UNDERSTANDING HEALTH INSURANCE

BY IRENE C. CARD and BETSY D. CHANDLER

DO IT NOW - BEFORE THE END OF THE YEAR

The leaves have all been raked, the trees are bare and Christmas carols are playing in all the shopping centers. Chances are that you are already knee deep in Christmas shopping, card writing, baking cookies and wrapping presents and if you are anything like me, you are still pondering which chore to do first. Holiday chores are a lot more fun that dealing with the necessary every day chores, especially our finances. This year, especially, it is important to make sure that we are not neglecting our finances. You may find that you have some money coming to you because of claims that were not submitted.

Every year I get a dozen or more calls from people asking me how they can get an out-of-network claim paid. "I thought somebody did it for me" is the usual reply. Who is "somebody"? It pertains to your money and it is your responsibility to collect it from your insurance carrier. Out-of-network providers want to be paid the day of the visit and they could care less where the money comes from. Be sure to look in your medical file folder and make sure all claims have been submitted. If you find some bills from out of network providers, be sure to get a claim form from your insurance carrier (or insurance agent) and submit the claim. Usually it only involves writing your id number on the form plus your name and address. Attach the itemized bill, making sure it has a diagnosis code and a procedure code number.

There is a time limit for submitting health insurance claims and it varies by insurance carrier. Many companies will say one year from the date of service while other companies will say you can do all of the preceding calendar year. You might also have a little pile of prescription receipts that need to be submitted to your insurance carrier. This can add up to a nice little sum of money that you may be entitled to. Likewise, if you have submitted claims in the last few months, be sure to follow-up on the status, and make sure the claims were paid properly.

If you are on Medicare, review your Medicare Summary Notices to make sure that the claims were automatically forwarded to your secondary insurer. If they were not, simply make a copy of the Medicare notices, write your secondary policy number on them and mail to your secondary insurer.

How about your health insurance? Is it up for renewal? Is your COBRA about to run out? Do not wait until the day before your policy expires to decide it is time to replace it. It takes at least a month to get a new policy issued. If your COBRA benefits are due to run out in the next several months, now is the right time to begin exploring other options. If your policy anniversary date is coming up, now is the time to explore all options to help contain the cost.

Most of us have more bills to pay in December than in any other month, largely due to our holiday shopping and spending patterns. However, make sure the first bill you pay

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The leaves is your health insurance. Do not allow your health insurance to lapse. When your policy is in a state of lapse, no claims can be paid. Most insurance companies will only reinstate a lapsed policy once or twice and then only if you are one month behind in paying the premium. The best present you can give yourself is health insurance; we may be healthy now but no one knows what tomorrow holds. You simply cannot self-insure for a medical illness. If you do not have health insurance, now is the time to explore what it will cost you and what your options are.

Do you have a Flexible Spending Account? If so, now is the time to check how much money you have left in your account. If you have a nice sum left to spend before December 31st, you might want to order those prescription sunglasses you have been wanting. Allowable items to purchase through your F.S.A. have changed since 2010. The following link will give you access to the changes in the F.S.A. laws for 2011. http://www.irs.gov/publications/p969/ar02.html#en_US_2010_publink1000204185 Just highlight the link and do a cut and paste. For example, over the counter medications are no longer allowed through your F.S.A. Medications covered must be by prescription.

Many group health insurance plans renew in January and your employer may have handed you a nice, fat package to review. If they offer more than one health insurance plan, now is the time to decide which plan will be best for you in the coming year. Situations change and what you have now might not be your number one choice for 2012, based on anticipated surgeries and other medical expenses. Once you make your selection, you are locked in to that Plan for one year.

Irene Card & Betsy Chandler are licensed insurance professionals working at MIC Insurance Services, a health insurance services company. If you have questions relative to this column or other related topics, we invite you to call (973) 492-2828. You may also access our library of past columns on our web site: www.micinsurance.com.