

Insurance Matters

A Newsletter for Delawareans

Issue 8 - November 2019

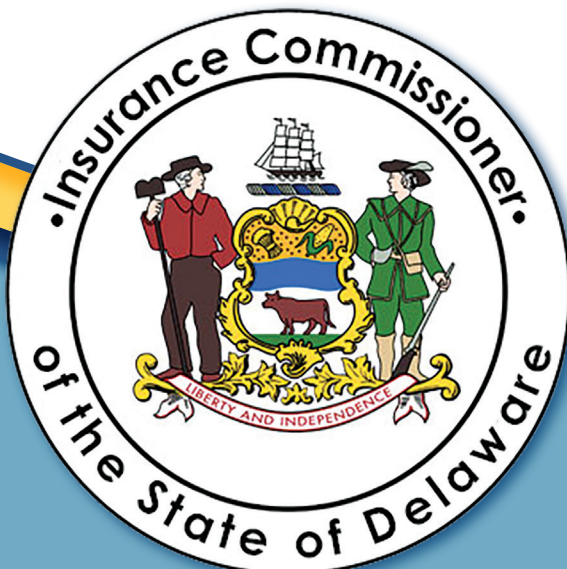
November is a Month of Giving



During the month of November, Insurance Commissioner Trinidad Navarro and his staff from all 3 offices in Delaware collected over 2687 items that were donated to the 14th Annual “Stuff-the-Bus” Charity Food Drive that helps needy Delawareans. These items are then given to the Food Bank of Delaware for distribution to their more than 440 hunger-relief partners. Everyone at the Department of Insurance looks forward to the annual drive and strives to give more each year, donating more than the year before.

In This Issue

- Open Enrollment Deadlines
- Take a Second Look at the ACA
- Picking the Right Health Coverage
- **Ask The Commissioner**



Trinidad Navarro
Insurance Commissioner
Delaware Department of Insurance
1351 West North Street, Suite 101
Dover, DE 19904

Open Enrollment Deadlines are Quickly Approaching!

December 7th - The last day of **Medicare Open Enrollment**

If you have questions or need help call us, 302-674-7364

December 15th - The last day to sign up for Health Insurance on the Delaware Marketplace. Log onto choosehealthde.com

Take a Second Look at the Affordable Care Act

Commissioner Navarro has approved a 19% rate decrease for Delaware's 2020 individual health insurance marketplace, also known as the Affordable Care Act (ACA) and Obamacare. This is a decrease across those plans. In July, Highmark Blue Cross Blue Shield of Delaware (Highmark BCBSD), the only insurer continuing to offer insurance coverage in Delaware's individual rate market, proposed a rate decrease of 5.8%. A month later, the federal government approved the state's proposed reinsurance program, enabling state officials to negotiate further decreases. The reinsurance program will cover the cost of the ACA's most expensive insurance claims, thus keeping premiums low.

"I'm urging Delawareans not to take the risk of going without health insurance. We've worked hard this past year to implement a Federal program known as a 1332 waiver. This consists of insurance companies paying a 1% assessment to take away some of the risk they take to cover expenses. The result is a 19% average decrease mentioned above, for Delawareans in 2020. This is the first rate decrease we've seen since the inception of the Affordable Care Act. It's worth another look. Please go to choosehealthde.com, or call 800-318-2596 for more information." Insurance Commissioner Trinidad Navarro

Picking the Right Coverage to Protect your Family's Future

What Types of Health Insurance Plans Are Available?

Major Medical Plans

These types of policies cover preventable services as well as serious illness or injury where costs can be high. Hospital care, drugs and doctors' visits are covered. These benefits can be delivered in several different ways:

- Preferred Provider Organization (PPO) plans – In these major medical plans, the insurance company enters into contracts with selected hospitals and doctors to furnish services at a discounted rate. As a member of a PPO, you may be able to seek care from a doctor or hospital that is not a preferred provider, but you will have to pay a higher deductible or co-payment. And you may be balance billed.

- Health Maintenance Organization (HMO) or EPO plans These major medical plans usually require you to choose a primary care physician (PCP) from a list of network providers. If you need care from any network provider other than your PCP, you might have to get a referral from your PCP to see that provider. You must receive care from a network provider in your state in order to have your claim paid through the HMO. Treatment received outside the network or state is usually not covered, or covered at a significantly reduced level. And you may be balance billed.

- Point of Service (POS) or Open Access Plans These major medical plans are a hybrid of the PPO and HMO/EPO models. They are more flexible than HMO/EPO plans, but *may* require you to select a primary care

Coverage (con't)

physician (PCP). However, like a PPO, you can go to an out-of-network provider and pay more of the cost.

Limited Benefit Plans

These types of policies provide limited coverage for a particular health care setting, ailment or disease. They also do not cover pre-existing medical conditions. Here are some of the options that might be available to you:

- **Basic Hospital Expense Coverage**
Covers a period of usually not less than 31 days of continuous in-hospital care and certain hospital outpatient services.
- **Basic Medical-Surgical Expense Coverage**
Covers costs associated with a necessary surgery, including a certain number of days (usually not less than 21 days) of in-hospital care.
- **Hospital Confinement Indemnity Coverage**
Covers a fixed amount (usually not less than \$40) for each day that you are in a hospital. The benefits paid are not based on your actual expenses.
- **Accident Only Coverage**
Covers death, dismemberment, disability or hospital and medical care caused by an accident. Specified accident coverage that covers only certain accidents may also be purchased.
- **Specified Disease Coverage**
Covers diagnosis and treatment of a specifically named disease or diseases; such as cancer.
- **Other Limited Coverage**
You may purchase insurance covering only dental or vision or other specified care.
- **Short Term Limited Benefit Plans**
Can only be issued for 3 months and are not permitted to be renewed for 12 months.

Discount Plans and Risk-Sharing/Christian Ministry Plans

Discount plans and risk-sharing plans are not insurance plans! Before signing, be sure to understand how the program works, and what benefits it offers you or your family.

- **Discount Plans**
You might receive advertisements from plans offering discounts on health care for a monthly fee. These are not health insurance plans and participants do not have the same protections as under licensed health insurance plans. Our Insurance Commissioner strongly recommends that you thoroughly investigate any plan promising deep discounts for a “low” monthly fee and weigh the benefits

against the cost carefully.

- **Non-Licensed Risk-Sharing or Christian Ministry Plans**
You may receive offers to join a group or association that will take your monthly payments, put them in a savings account (or trust) with other participants’ money, and then help pay some of your health care costs, as needed. Such arrangements are not insurance and the participants do not have the protections available to purchasers of licensed insurance plans. In most cases if payment is made it will be made directly to you and not the provider of services. Insurance Commissioner Navarro strongly recommends that you thoroughly investigate such plans before joining.

State Consumer Protections

States provide a variety of important protections through state law. These might include:

- The appeal of coverage decisions within the insurance company
- The appeal of coverage decisions to an impartial external reviewer
- Prompt payment of claims
- Access to certain specialists and health care providers
- Coverage of specific treatments and services

If you have questions about protections, contact us at 302-674-7300.

Other Important Consumer Protections

COBRA Continuation Coverage – If you purchase insurance coverage through your employer and your employer has 20 or more employees, when you leave your job, you are entitled to continuation coverage by the federal Consolidated Omnibus Budget Reconciliation Act (COBRA). Delaware also requires continuation coverage to be offered by smaller employers of less than 20 employees.

Some Final Tips on Buying Health Insurance

Make sure you feel confident in the insurance agent or navigator. It is a good idea to contact us and make sure the agent and the company you are dealing with are licensed in Delaware before you provide any financial information.

Learn what kinds of policies will provide what you need and pick the one best for you. Don’t hesitate to shop around and ask a lot of questions.

Do not sign an application until you review it carefully to be sure the answers are complete and accurate. Make sure that the word “insurance” is actually used and that there is no disclaimer stating that, “This product is not insurance, nor is it intended to replace insurance.”

For more information about health insurance options contact us directly at 302-674-7300 or email consumer@delaware.gov.

Setting the Agenda!



To kick off the legislative session, the Department of Insurance met with stake holders from the insurance industry to review the proposed legislative agenda. As in the past, the Department hopes this meeting helped to build a consensus on the proposed pieces of legislation in advance of the upcoming legislative session. We are looking forward to another productive year!

Ask The Commissioner

Why is Auto Insurance Necessary?

Automobile insurance is a contract between you and an insurance company that protects you financially if you are involved in an accident.

If you cause an accident your insurance will help pay for losses you caused. Your losses could be substantial if you are required to pay not only for the damage to property but also for pain and suffering of any injured person. If you don't have any, or enough insurance coverage, anything of value that you own could be taken to help pay those costs, including: your home, any savings, and even future earnings.

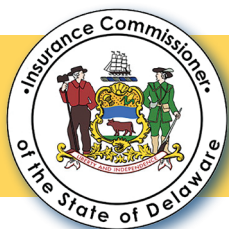
Auto insurance policies are offered with a variety of coverages available depending upon your needs and wants. You agree to pay the premium, and in return, the insurance company agrees to pay for certain expenses as defined in your policy. Having the right insurance coverage may prevent you from suffering a large financial loss in the event of an accident. A minimum level of insurance coverage is required by the state in order to register your car in Delaware.



Trinidad Navarro
Delaware Insurance Commissioner

If you have more questions about Auto Insurance, look for our Auto Guide on our website.

<https://insurance.delaware.gov/wp-content/uploads/sites/15/2018/06/Auto-Insurance-Guide-2018.pdf>



Protecting Delawareans through regulation and education while providing oversight of the insurance industry to best serve the public.

Delaware Department of Insurance

Phone: 302- 674-7300 | Fax: 302- 739-6278 | consumer@delaware.gov