

WHAT AN HONOR!

At the recent Rockwall Area Chamber of Commerce Awards Banquet, I was awarded the

- **Milestone Award for 25 years and then was surprised with the**
- **Lifetime Achievement Award**

It is really an honor to be selected for the Lifetime Achievement Award.

OPEN ENROLLMENT HAS ENDED FOR THOSE UNDER 65 – BUT MANY STILL MAY HAVE CHOICES

Permanent Plans - This year, we had a shortened Open Enrollment Period which went from November 1 to December 15.

BCBS – TX was the only carrier to insure everyone in all 254 counties in Texas. In 90 counties BCBS was the only option. They offered 8 HMO plans.

Baylor, Scott & White - offered two plans - one HMO and one EPO. These are only offered in certain counties in North and Central Texas. (only off exchange)

AETNA, CIGNA, HUMANA and United Health Care had previously chosen to not participate in the individual market.

SEP (Special Enrollment Period) – If people have certain Life Changing events, they may still be able to get permanent coverage. (ie: losing other group coverage, getting married, getting divorced, having a baby etc.) Normally one would have 60 days from the date of the event. The carriers all require proof of the qualification.

Grandfathered Plans – For those lucky enough to have a BCBS plan purchased before March 23, 2010, they have a grandfathered plan. In most all cases, these plans are going to have lower premiums, lower maximum out of pockets etc. in comparison to the newer ACA plans. People need to keep these plans as long as they can.

ACA Plans – Because of the 10 mandated Essential Benefits, no preexisting conditions etc., these plans have become very expensive. The deductibles have gone up in many cases along with the maximum out of pocket. The HSA qualified plan has a lower deductible and max out of pocket in comparison to other plans (in addition to the option for possible tax write offs). The only way to drive the premiums down is if you qualify for a tax credit or subsidy. This is all based on your family size and family income. Many people don't qualify, so they are paying the full price.

Maximum out of pocket – I continue to tell everyone that the most important question to ask about any health insurance you are looking at is “What is my maximum out of pocket?” The real reason we all need health insurance is in case we get in trouble. If you don’t have a maximum out of pocket, you don’t have insurance, you probably have unlimited liability.

Short Term Coverage – This has become a much cheaper alternative for people who are healthy. The short term plans can be much cheaper than the permanent plans. The important thing is that all of these plans do have a maximum out of pocket. There are various deductibles to pick from. Some of the disadvantages are that they do not cover preexisting conditions and don’t have all the 10 Essential Benefits of the ACA plans. These plans are meant for people who are in between jobs or in between permanent coverages.

One of the obstacles of Short Term Coverage has been that the law was changed late in 2016 stating that Short Term Plans could not be for longer than 90 days. Then you could apply for another plan for another 90 days. I have heard that there is a very good possibility that this limitation may go away in April, and we will return to having Short Term Coverage that lasts for the entire year. If this happens, it will make it much easier for many people to view this as a less expensive way to provide for their health insurance.

Individual Mandate / Penalties – The recent legislation dealing with tax reform will eliminate the Individual Mandate in 2019. During 2018, we still have the Individual Mandate and the penalty for not having Minimum Essential Coverage.

Per Adult	\$695
Per Child	\$347.50
Family Max	\$2,085

OR (Whichever is greater)

2.5% of Annual Household Income above the yearly tax filing threshold
(10,150 for individuals, \$20,300 for couples filing jointly) - Check with your CPA for your calculations.

BCBS Small Group Policies Still Offer PPO Plans - There are only HMO plans available for BCBS Individual plans. For people that are part of a company, small group policies can include PPO plans. A minimum of two full time employees (over 30 hours per week) working for the same tax ID is all that is needed to enroll a small group. Texas Department of Insurance recently issued new guidelines that allow husband and wife to qualify as the only two employees. At least one would have to be a W-2 employee. Small group, does have contribution and participation requirements. Call us and we can discuss your needs. Unlike individual policies, small group plans can be established any time during the year.

Other Options for Individual Coverage –

Health Care Sharing Ministry - The Texas State Legislature has taken a position on these types of plans as follows:

Texas Code Title 8, K, 1681.001

Notice: This health care sharing ministry facilitates the sharing of medical expenses and is not an insurance company, and neither its guidelines nor its plan of operation is an insurance policy. Whether anyone chooses to assist you with your medical bills will be totally voluntary because no other participant will be compelled by law to contribute toward your medical bills. As such, participation in the ministry or a subscription to any of its documents should never be considered to be insurance. Regardless of whether you receive any payment for medical expenses or whether this ministry continues to operate, you are always personally responsible for the payment of your own medical bills. Complaints concerning this health care sharing ministry may be reported to the office of Texas attorney general.

Supplemental Insurance - Please note that these supplemental insurance plans provide limited benefits. These plans are meant to supplement health insurance and are not a substitute for major medical coverage with a maximum out of pocket. These plans are listed on our website www.filipinsurance.com under Products / Services. Without a maximum out of pocket, you may have unlimited liability.

Hospital and Doctor Fixed Indemnity Insurance – Simple fixed indemnity benefit plans help cover out-of-pocket expenses left by high deductibles. This product provides limited benefits. This coverage provides benefits in a stated amount regardless of the actual expenses incurred. Benefits include: Specific Dollar Amounts paid for:

- Office Visits / Urgent Care Visits for Injury or Illness
- Wellness / Preventative Care Visit
- Pharmacy Benefits
- Inpatient Hospital Benefits – ICU, ER, Ambulance
- Outpatient Hospital Benefits
- Surgical Benefits

Accident Coverage - Pays fixed amounts for loss resulting from qualifying accidental injuries. Benefits include: Specific Dollar Amounts paid for:

- Common Accidents such as Burns, Concussions, Broken Bones, Dislocations
- Services and Treatments such as Ambulance Services, ER visits, Physical Therapy, Surgery, ICU, Hospital Confinement

Critical Illness - A critical illness insurance plan can pay you cash for a qualifying serious illness. You can use the cash however you want – for bills, living expenses, out-of-pocket medical costs, and more. So you'll be able to focus on treatment and recovery. Maximum Lifetime Benefits amounts to choose from \$10,000, \$20,000, \$30,000, \$40,000, \$50,000.

HSA Contribution Limits

	2017	2018
Individual	\$3,400	\$3,450
Family	\$6,750	\$6,900
Catch Up Contribution (55+)	\$1,000	\$1,000

How do we deal with higher deductibles, higher costs and narrow networks / HMO's?

There are noninsurance products available from freshbenies for just \$12.00 per month for your family. This would include telehealth, doctors online, advocacy and prescription savings. (These products would be supplemental or in addition to your regular medical insurance.) You can also get dental, vision savings, Lifelock, legal savings, and pet care savings. Go to our website www.filipinsurance.com under products / services. You can also find out about the program at www.freshbenies.com/Filip.

Medicare Supplements

We represent a number of different Medicare Supplement companies. Some companies raise their rates more than others, and periodically, it may be a good idea for you to review your options. BCBS TX has the best history of rate stability in the industry for Medicare Supplements. Call us at 972-771-6043 and we'll help compare rates and companies.

Life Insurance

INSURE YOUR LIFE – FOR THE SAKE OF YOUR FAMILY LIFE INSURANCE – BUY IT TODAY BECAUSE TOMORROW MAY NOT COME TOP REASONS WHY!

- Paying off the mortgage so spouse and children have a place to live
- Income to pay the family bills
- Money for children college expenses
- Funds for spouse's retirement years
- Final expenses
- Resources to buy-out deceased business partners share of company
- Assets to replace business losses when a key employee dies

Call us at 972-771-6043 and we'll help you evaluate your current coverage(s) and will help you evaluate your options for coverage to meet your needs.

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