



What You Should Know About Health Insurance

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Everyone should invest in the four points of protection: health, life, disability, and long-term care insurance. These investments form the foundation of security in the case of illness, loss, and incapacitation. Among those, the most common is health insurance. Yet many people don't understand the different types of health insurance, the advantages of providing insurance to employees, or the factors to consider in choosing a plan.

Options for the Self-employed

Frequently, people who are between jobs or self-employed forego insurance, which is not the most preferred path. One of the least expensive options is a limited benefit plan. These plans are not insurance, do not require medical underwriting, and will pay the owner a flat amount per day or per ailment. One of the most well-known limited plans is AFLAC. A better option is traditional health insurance because it lowers your exposure to large medical expenses.

Options for Small Employers

One of the best advantages of hiring your first employee is that your company becomes eligible for group health insurance. The number of insurance carriers and available plan designs increase exponentially with just two employees. As a business grows, health insurance helps retain staff, serving as a valued incentive for employees. In addition, it's a strategic investment. Insurance is a tax deductible expense that supplements an employee's salary. Finally, health insurance supports the well-being of employees, resulting in higher productivity and satisfaction, and lower rates of absenteeism and sick leave.

Myths and Mistakes

People make several common assumptions and avoidable mistakes when purchasing health insurance:

Too much insurance. In truth, 80% of people use health insurance for office visits and prescriptions. With that in mind, most people don't need benefit-rich plans. They're better off choosing a plan with a larger deductible. You should pick a plan with the lowest premium possible and save the difference.

Can't get insurance. For the most part, if you're in a major city, you can find insurance. It may cost more, but you can find insurance. In DC, Maryland,

and Virginia, if you have a serious illness, state-mandated insurance plans are available.

Hiding information. It's best to be honest and upfront regarding your medical history so that there are no problems when you want to file a claim. Not to mention that insurance carriers are good at tracking down your health information. For instance, they can determine what conditions you have had based on your prescription history.

Bypassing a broker to save money. Insurance brokers represent the clients, not the insurance companies. We're knowledgeable about the market and can objectively present the best options. Our commissions are built into the insurance premiums, so you will be charged the same rate whether you purchase through a broker or directly from a carrier.

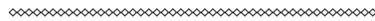
Obtaining Insurance

The first step in getting insurance is talking to a broker who can assist you in selecting an affordable plan. Choose someone who will:

- learn about your business and benefits concerns;
- analyze your current plan **and** tell you if that plan is still the best option for your business;
- explore benefit features to determine which combination will meet your needs and budget; and
- provide access to appropriate financial, investment, and business services that support your goals.

Questions?

Contact us at 703-879-2423 or info@TheWICG.com if you have questions about insurance or employee benefits.



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