

HEALTH INSURANCE

Help!

HEALTHCARE SHARING MINISTRY PLANS: WHAT YOU SHOULD KNOW

A healthcare sharing ministry plan, sometimes referred to as a medical sharing plan, is not actually an insurance plan.

These types of plans are arrangements where a group of individuals voluntarily come together to share in each other's medical expenses. The plans are a cooperative sharing program in which members pay a monthly fee, similar to a premium that is then held in an account to pay for members' eligible medical bills.

It's important to understand that there is very little oversight of sharing plans because they don't fall under the rules that cover insurance plans. In fact, none of the requirements of federal laws designed to protect healthcare consumers, such as the Patient Protection and Affordable Care Act, apply to sharing plans. That means sharing plans may not provide standard insurance features like covering a standard list of minimum services or limiting how much of your healthcare costs you might need to pay out of your own pocket.

Traditional health insurance is required to cover a range of essential health benefits and cannot exclude individuals based on pre-existing health conditions.

Another important point to understand about health share insurance plans is their emphasis on "eligible medical expenses." Not all health costs may be "shared" across the groups, and each health share plan sets its own rules on what it will pay for.

Many health share plans, particularly those based on religious principles, set their rules around specific lifestyle choices. That means certain services or "pre-existing conditions" might not be "shareable" - or in other words, not eligible for payment from the shared plan.

If you require a healthcare service that is considered an "unshared" expense, you may find yourself paying unexpected out-of-pocket costs. If you are part of a healthcare sharing ministry, you are considered a self-pay patient when using healthcare services. So, while your sharing ministry may or may not give you an identification card to show healthcare providers, you are responsible for all the charges for your care.

These plans also are not required to report their finances to the state Departments of Banking and Insurance, so it can be hard to know how financially stable they are. That can put their members at risk if the shared health plan has financial problems.

A "short-term limited duration plan" is another type of health plan that is not covered by certain consumer protections and coverage requirements. While these plans are not sold in New Jersey, people working or visiting from other states who have these plans could face higher costs if they need healthcare services.

Deciding on the best health insurance plan for you or your family depends on factors including your health status, financial situation and health plan options available. It is important to look into the specifics of each plan and know what services will – and will not – be covered.