

You may have health insurance – but is it good enough?

Are you insured or about to get insurance? Starting **January 1, 2009**, nearly all Massachusetts residents will be required to have health insurance that covers reasonable medical needs. The insurance you choose must meet this standard of quality, called “minimum creditable coverage” (MCC).

Some insurance companies and employers offer health insurance that won't meet MCC standards. **You may be able to get better benefits** – and if you buy poor quality insurance, you could end up facing the same penalty you'd get for being uninsured. This penalty, which is billed at tax time, enforces the “individual mandate” – a state law that took effect in December of 2007 and requires nearly all Massachusetts residents to have health insurance.

Make sure the insurance you choose covers all the things good insurance should.

To qualify as minimum creditable coverage, your policy must cover:

- ✓ primary care, emergency services, hospital stays, outpatient services and mental health services
- ✓ prescription drugs
- ✓ 3 regular doctor visits and check-ups for an individual, or 6 for a family, before charging any deductibles

*The plans offered through **MassHealth**, **Commonwealth Care**, and **Commonwealth Choice** (the Young Adult Plans are exempt) qualify as minimum creditable coverage. If you have one of these plans, no action is needed.*

Getting or changing insurance can take time; look at your policy now. If your insurance company is licensed in Massachusetts, they will be required to give you notification of whether they meet MCC standards. If you need to change health insurers, you should start the process before December 2008.

“Red flags” that mean a policy does NOT meet MCC standards:

- ✗ Types of insurance or compensation that don't meet the standards above **do not** count as MCC.
What “doesn't count” includes worker's compensation, hospital indemnity insurance, disability income insurance, long-term care offered separately from health insurance, and typical disease or service-specific plans intended as “supplemental” coverage. If you participate in a program like this, you're still required to have health insurance too.
- ✗ A policy shouldn't charge “deductibles” of more than \$2,000 for yourself, or \$4,000 for your family, each year.
A deductible is the amount of money you must pay for a service before your health plan begins to cover the cost.
- ✗ A policy shouldn't require you to pay more than \$5,000 a year in total out-of-pocket costs for yourself, or \$10,000 for your family, for services provided by the health plan's network.
This “out-of-pocket maximum” should include any deductibles, “co-insurance” (a percentage you pay of the cost of services), and co-payments of over \$100. The out-of-pocket maximum does not have to include prescription drug costs and co-payments of less than \$100.
- ✗ A policy shouldn't have any maximum dollar amount of benefits you can receive for a particular illness, or any maximum benefit amount per year.

If you have questions about your current health plan's benefits, call your health plan's Customer Service number. If you discover that a plan offered by your employer doesn't meet the MCC standards, be sure their human resources department knows so they can give employees correct information. For more information about the individual mandate and some coverage options, visit www.mahealthconnector.org