

Examine Health Insurance Before a Medical Crisis

By Dawn Dorsey

When consumers are in the market for major purchases, they often research the alternatives and take a close look at what's available. Yet each year, many people make one of their biggest investments — health insurance — without even reviewing it carefully.

“We find that most people have no idea what type or levels of coverage they have, and it's critical,” says Connie Longuet, director of Patient Access Services at M. D. Anderson. “Policies vary widely, and it's important to read the fine print to find out exactly what your coverage includes.”

Health insurance can make a huge difference in how you financially weather a prolonged illness, such as cancer. However, with spiraling health care costs, many employers and other groups are lowering coverage limits so they can afford to continue to provide coverage.

Know your limits

How do you know if your coverage is adequate to cover a worst-case scenario, such as cancer? Longuet advises that you take a good look at what your current plan covers and compare it to other plans.

Review these aspects of your policy:

Maximum benefits — Find out the maximum amount your coverage will pay. Also pay attention to the length of time for this limit. In the past, Longuet says, maximum benefits were counted over a lifetime. Now, policies often contain yearly caps as well as lifetime maximums.

Maximum coverage of \$100,000 a year is common and usually sufficient, she says. However, she has seen annual maximums dip as low as \$25,000.

Lifetime benefits often are capped at \$1 million. Although this is usually

sufficient, some long-term illnesses require a series of expensive procedures, such as bone marrow transplants.

Deductible — Many insurance plans have increased their deductible amounts (what you must pay out-of-pocket before coverage kicks in) as a way to save money. A deductible of \$1,000 is not uncommon.

Pharmacy benefits — Not every policy includes pharmacy benefits, but they are crucial for adequate coverage when it comes to cancer treatment. Medications to help with treatment side effects often fall under pharmacy coverage plans. Find out if your pharmacy benefits have a separate deductible and maximum benefits coverage.

Experimental exclusions — Some cancer treatment procedures and chemotherapy drugs are considered to be investigational or experimental. It's important to understand any policy limits regarding use of investigational products or services.

Does 'cancer insurance' exist?

Fairly new to the market are health insurance policies that specifically cover cancer treatment. Some plans pay travel expenses, such as airfare, meals and hotels, that may be necessary if you must go elsewhere to seek treatment. Longuet says these incidental expenses can be significant.

“These policies, just like all others, run the gamut from great to not-so-great,” she says. “Be sure to research and know what you're paying for.”

Medicare may not measure up

Many people assume Medicare means complete coverage of any treatment at any location. However, Longuet says, this is not always the case.

Supplement plans often are necessary:

Medicare Part D — This supplement covers pharmacy benefits, which are so important to cancer treatment. People with Medicare are required to purchase Medicare Part D from independent providers. Many plans, with many levels of coverage, are available in the marketplace.

Medicare Advantage plans — These alternatives to traditional Medicare

plans offer lower co-payments and often include prescription coverage. Patients who choose these plans will no longer fall under traditional Medicare coverage.

“These may look good to someone because of the low co-payments and pharmacy benefits,” Longuet says. “But patients need to be aware that these are managed care plans, and medical care usually is restricted to physicians and hospitals in their designated provider network.”

Switching plans, therefore, may mean that visits to a patient’s long-time physician are no longer covered.

Remember that Medicare pays only 80% of medical expenses. The patient is responsible for the remaining 20%.

Consumer beware

The best consumer is an informed one. For example, Longuet says, several companies in the Houston area sell health care discount cards, promising discounted services at local hospitals. Patients are disappointed when they find out that M. D. Anderson and many other providers do not accept the cards. Find out if the cards are accepted before purchasing them.

In general, the best way to secure a good health insurance plan is to educate yourself. If you have questions, call your insurance provider or speak to someone in the human resources office at work. Also, you might want to call the hospital where you prefer to be treated to be sure they accept your insurance.

For more information about patient services at M. D. Anderson, call askMDAnderson at 1-877-MDA-6789 (1-877-632-6789.)

Other resources:

[Medicare](#)

[Health Insurance and Financial Assistance for the Cancer Patient](#)
(American Cancer Society)