



State of Utah
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Insurance Department

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Insurance Commissioner

For Immediate Release

April 28, 2020

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Health Care's Limited Coverage Areas

Not all health plans are the same — be sure you know what you're signing up for

With COVID-19 on the minds of all Utahns, many people are looking at their coverage options. Consumer protection laws govern many types of health coverage, like plans purchased through an employer or through the Health Insurance Marketplace, but other types of plans aren't required to protect consumers in the same way. Consumers who use health care sharing ministries (HCSMs), discount plans, or medical retainer agreements can best protect themselves by understanding the coverage they participate in.

"Some consumers may find value in these sorts of health care products, but they need to understand that they are not insurance and do not guarantee coverage," said Todd E. Kiser, Utah Insurance Commissioner. "Consumers who choose these products should make sure they know how they work and what risks they present. Be especially wary of any company advertising membership discounts during the COVID-19 pandemic."

Health Care Sharing Ministries

You may hear about HCSMs when talking to neighbors or searching online. HCSMs are organizations in which the members share the costs of health care and usually have common ethical or religious beliefs. However, before you sign up for an HCSM, there are some things you should know:

- HCSMs are not insurance and don't guarantee payment of claims. While they may share funds with members who have health needs, they are not legally required to do so.
- HCSMs do not have to comply with the consumer protections of the federal Affordable Care Act (ACA) or state law, like covering treatments for wellness visits and pre-existing conditions, or capping your out-of-pocket costs and imposing lifetime limits.
- HCSMs may provide value to some people, but they pose a risk to others because they provide limited benefits.
- The Utah Insurance Department does not regulate or supervise HCSMs.

A member typically contributes a monthly "share" to cover the qualifying medical expenses of other members. The HCSM then administers payments to members, whether by pooling the

Please note: Agency hours are 8am-5pm, Monday-Friday.

contributions or by matching a paying member directly with someone who needs help paying for care. Some people look to HCSMs because of their lower up-front costs compared to ACA plans.

Discount Plans

You might receive advertisements from plans offering discounts on health care services for a monthly fee. These are not health insurance plans, and participants do not have the same protections as they do under health insurance plans. Be sure to thoroughly investigate any plan promising deep discounts for a "low" monthly fee and weigh the benefits against the cost carefully.

Medical Retainer Agreements and Concierge Medicine

Medical retainer agreements and some concierge medicine agreements are agreements between a health care provider and an individual patient to provide routine health care services. These agreements are not insurance and do not have the same protections as health insurance. They provide a limited scope of health care services. The Utah Insurance Department does not regulate or supervise these agreements.

The Bottom Line

HCSMs, discount plans, and medical retainer agreements are not health insurance plans, are not as comprehensive as health insurance, and offer limited benefits. Before signing up, be sure to understand how the program works and what benefits you or your family can count on.

For more information about HCSMs, discount plans, and medical retainer agreements, contact the Utah Insurance Department's Health & Life Division at 801-538-3077 or health.uid@utah.gov.

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The Utah Insurance Department is a State agency. Its mandate is to regulate insurance marketed and sold in Utah. Currently more than 95,000 agents, agencies, and insurers are licensed; domestic insurers are audited to verify financial stability and compliance with insurance laws; administrative action is taken against licensees found to be in violation of insurance laws; calls from consumers with questions or complaints are taken; and licensees and consumers are educated regarding insurance. For more information visit <http://www.insurance.utah.gov> or call toll free in-state at 1-800-439-3805 or locally at 801-538-3077.