

## Buying Health Insurance When You Have a Pre-Existing Condition

A pre-existing condition is a medical issue you are known to have when you apply for health insurance coverage. According to the Kaiser Family Foundation, [about 27% of Americans under 65](#) have at least one significant pre-existing medical condition.

A decade ago, a pre-existing condition made it difficult and sometimes impossible for people to buy individual or family coverage.

But those days are over: Under current law and specifically, the Affordable Care Act it is illegal for a health insurance company to deny coverage or charge higher premiums because you or a family member have a pre-existing medical condition.

As of January 2014, all health insurance plans are required to be guaranteed issue. That means that insurers must issue policies to all applicants who pay the premium, regardless of their medical history.

Since then, the only factors insurance companies are allowed to consider in issuing and pricing health insurance policies are:

- Age
- Smoking or tobacco use status
- Zip code
- Family size

Carriers also can no longer impose a waiting period before they cover treatments for pre-existing conditions.

This is true for non-ACA plans sold outside your state's exchange. You are not limited to buying insurance over an exchange to qualify for this protection. If you have a pre-existing condition, you can get the same benefits from enrolling in any plan doing business in your state.

## Exceptions

There are just three exceptions to this rule:

- **Short-term insurance plans.** These are temporary plans issued for 90 to 364 days and renewable for a maximum of three years. State laws vary substantially on short-term insurance plans, and some states don't allow them at all.
- **Medicare Supplement plans.** Medical Supplement (Medigap) insurance carriers cannot turn you down or charge you a higher premium for your pre-existing condition, provided you apply within the open enrollment period when you are first eligible for Medicare. If

you miss your initial open enrollment period, they can turn you down outright, or charge a higher premium.

- **Grandfathered insurance plans.** If you are currently in a plan you joined prior to March 23, 2010, you may be in a grandfathered plan that is not subject to the pre-existing condition rule. These are typically employer-sponsored plans.

## **Pregnancy coverage**

You cannot be turned down even if you are pregnant. There is no waiting period: Coverage for pregnancy and childbirth-related expenses becomes effective on day one of your policy, subject to the policy's deductible.

## **Shop around**

Regardless of your medical condition, you should still carefully shop around and compare different plans and pricing. Details of insurance policies can vary a great deal.

For example, if you are currently seeing a doctor for your pre-existing condition, you may want to join a plan that includes your current doctor in their care network. Otherwise, you may have to pay extra every time you see that doctor.

You should also look carefully at your plan's formulary, or coverage for specific medications. Some medications for pre-existing conditions are very expensive without insurance. Compare coverage for your specific prescription drugs before you enroll.

\*This material was created by Insurance Newsletters and authorized for use by Brown & Stromecki Agency

###