

How Smart Consumers are Opting Out of Obamacare and Slashing Their Costs by Joining Healthshare Programs



By Wiley Long, President



Message from the President



Having been in the health insurance business since 1987, I've seen quite a few changes. However, I never thought I'd be writing a letter urging people to consider *not* having health insurance. But that's now changed, and for many people, purchasing health insurance is simply no longer worth the cost — particularly when they can join a healthshare program in-

stead!

In 2009, Congress passed a law with the intention of forcing every American to purchase a government-designed health insurance policy. The President promised that people's average annual premiums would go down by \$2,500 and that everyone would be able to keep their existing plan if they wanted.

The law was called the Affordable Care Act, but is more commonly known as Obamacare. For anyone who is not receiving a government subsidy to help them pay for their coverage, the results have been anything but affordable. Average premiums have gone up over 300% since the law was passed, and it is not uncommon for a family to now be paying \$2000 or more per month for their health insurance.

Virtually everyone has been forced to change plans and even move to new doctors. Insurance companies continue to pull out of the market, and in many areas of the country, there is only a single carrier left.

Not only is the coverage expensive but for most people it is simply not worth the cost. Deductibles are often \$12,000 or higher. Single people are forced to buy coverage that includes maternity, and everyone is forced to buy plans that offer so-called free check-ups and preventive care.

This law even forces people to purchase plans they may find morally objectionable. For instance, they may cover abortions or morning-after pills.

Message from the President

Thankfully, there is another option called healthshare programs. Today, thousands of Americans are quietly abandoning Obamacare, and turning to a program that pushes excessive government regulation to the side and lets people affordably manage their health risks among themselves.

Healthshare programs are simply a way for you to join with other like-minded people who agree to share their medical expenses.

As you'll read in this report, joining a healthshare program allows you to legally opt out of Obamacare. You will be exempt from the requirement to carry government-approved health insurance, and you'll be exempt from the shared responsibility tax penalty for not having coverage.

With a healthshare program, you won't have to pay for coverage you don't want or need, and your monthly costs should drop by 40 - 70%.

So, read this report carefully. If you are fed up with exploding health insurance rates, switching doctors and plans every year, and being forced to pay for something you don't really want this may be your solution. If this sounds like something that might work for you, contact us and one of our personal benefits consultants will answer all your questions, and help you enroll in the healthshare program best for you.

Best regards,



Wiley Long

President

HSA for America

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History of Healthshare Programs

Healthshare programs have only recently earned the public's attention due to the Affordable Care Act (ACA) and skyrocketing costs of health insurance, but they've been around for quite a while. For over 30 years, they have been providing an alternative and affordable solution to traditional health insurance.

Healthshare programs are not offered by insurance companies, but they are recognized non-profit 501(c)(3) healthcare sharing ministries (HCSMs). HCSMs were originally founded on the biblical principle of believers sharing each other's healthcare cost and needs. At present, there are over 1,000,000 Americans who are currently members of healthshare programs.

Members of these healthshare programs are exempt from the requirements of the [Affordable Care Act](#), including the requirement to purchase a government-approved health insurance plan, as well as the 2.5% tax penalty for not carrying health insurance. (See Section 1501, page 148).

Because these plans are not insurance, they do not fall under state and federal regulations governing health insurance.

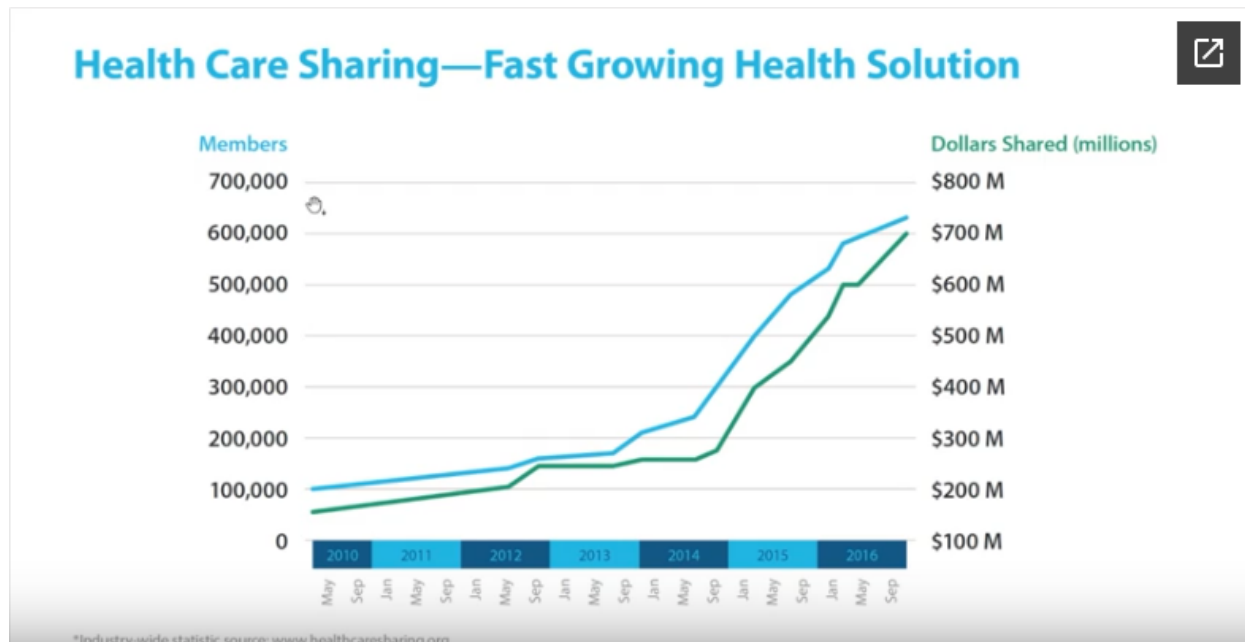
In order for members to be exempt from the tax penalties outlined in the Affordable Care Act, HCSMs must meet the following qualifications:

- Must be a 501(c)(3) organization
- Must have existed and been in practice continually since December 31, 1999
- Members must share common ethical or religious beliefs
- Must not discriminate membership based on state of residence or employment
- Members cannot lose membership due to development of a medical condition
- Must be subject to an annual audit by an independent CPA, which must be publicly available upon request

Some HCSMs meeting these requirements are: AlierCare, Altrua Healthshare, MediShare and Sedera.

History of Healthshare Programs

Some states have tried to block HCSMs on the grounds that they are selling unauthorized insurance. However, courts have overruled these efforts, and thirty states have laws protecting healthshare programs and recognizing them as distinct from health insurance organizations, so they don't need to meet the same requirements.



How Healthshare Programs Work

Membership Guidelines

If you want to be part of a healthshare program, there are things you should know. First, you will be required to a sign of statement of belief. In this, you commit to the values of the program and agree to maintain a healthy lifestyle.

Because of the religious aspect of many of these programs, they typically do not pay for services that may go against their members' beliefs. This could include restrictions against paying for abortions, out-of-wedlock maternity costs, birth control, or treatment for substance abuse.

Statement of Beliefs

The belief attestations vary for each HCSM. Some are stricter than others. To give you a glimpse of what this looks like, here's a sample statement of belief from one of the HCSMs below:

- We believe that our personal rights and liberties originate from God and are bestowed on us by God.
- We believe every individual has a fundamental religious right to worship God in his or her own way.
- We believe it is our moral and ethical obligation to assist our fellow man when they are in need according to our available resources and opportunity.
- We believe it is our spiritual duty to God and our ethical duty to others to maintain a healthy lifestyle and avoid foods, behaviors or habits that produce sickness or disease to ourselves or others.
- We believe it is our Fundamental right of conscience to direct our own healthcare, in consultation with physicians, family or other valued advisors.

Other healthshare programs have statements more pointedly Christian, and some express beliefs about the definition of a marriage or other social issues.

How Healthshare Programs Work

Medical Underwriting

Applicants of Healthshare programs will have to undergo medical underwriting. This is a process to its members are relatively healthy to keep healthcare costs down.

HCSMs are very strict when it comes to tobacco use, illegal drugs, and sexually transmitted diseases. Usually, they decline these applicants since it is a part of the statement of belief to avoid foods, behaviors or habits that produce sickness or disease.

They expect all members to maintain a healthy lifestyle.

There is at least one healthshare program that will accept smokers, as long as they make a commitment to quit within the next 12 months.

Height and Weight Guidelines

HCSMs are also particular when it comes to obesity. You could be denied or have your rate raised based on a height/weight chart. Most HCSMs also provide a health and wellness program to assist prospective applicants with meeting and maintaining the required membership height/weight guidelines.

How Healthshare Programs Work

How Medical Bills Get Paid

With HCSMs, things work differently than what you might be used to if, like most of us, you've had a traditional insurance policy. The process would depend on your HCSM but most follow this simple concept:

1. **Contribute.** Members pay the monthly contribution/shares, which will be placed in your share box until it is matched to another member's eligible bills.
2. **Visit your doctor.** Show the membership ID card you received. This is what you'll hand in when the doctor asks for your insurance. If your membership is not accepted, you can pay-out-of-pocket and then be reimbursed by your program.
3. **Medical Bill** submission to the HCSM done by your physician.
4. **Processing.** The HCSM receives and processes your bills for discounts, and sharing eligibility.
5. **Sharing the cost of the bills.** Once the bill is approved, contributions from other members are shared to pay that bill.
6. **Confirmation.** You and your doctor will receive an explanation of sharing to confirm payment.

Terminology

The health insurance industry has very specific terminology to describe how the system works. Because healthshare programs are not insurance, they have slightly different terminology you should be familiar with:

- MRA (member responsibility amount): In traditional insurance, these would refer to copays, out-of-pocket maximums, and deductibles.
- Contributions/Shares: This is the term used for premiums.
- Needs: This is the term used for health insurance claims.
- Limitations: Because healthshare ministries use underwriting, members can be approved with a limitation on a specific health condition (meaning the ministry won't pay for it), which is another word for waivers or exclusions.
- Provider Fee: The amount the member pays to a provider at the time medical services are rendered (\$35 for an office visit or \$135 for ER visits). It is like a down payment or good faith payment that is credited to the total amount billed, it can be described as somewhat similar to a co-pay.
- No Guarantee: There is no contract with HCSMs to guarantee a bill will be shared. Eligible bills are processed for sharing after the MRA has been met.
- Ineligible For Sharing: HCSMs does not decline or deny a bill; rather, it's considered ineligible for sharing.
- Eligible Need: An eligible need is one that meets the requirements per the Guidelines. Eligible does not mean shared. Sharing only occurs when a family has met their MRA or Annual Household Portion (AHP) and the medical need is eligible.
- Processed for Sharing: Once a medical need is deemed eligible AND the household has met their AHP, the bill will be submitted for sharing.
- Effective Date: The month and day a membership begins or the month and day of the most recent Annual Household Portion (AHP) change.

How Healthshare Programs Differ from Traditional Health Insurance Plans

You know by now healthshare ministries are not insurance. So, how exactly are they different from traditional health insurance policies?

No Open Enrollment Periods

First, there are no annual open enrollment periods for healthshare programs, so you can get one all year-round. You don't have to wait until November 1st just to get health insurance coverage.

Does Not Cover Pre-existing Conditions and Not Guaranteed Issue

Under the ACA, all health insurance plans must be sold on a guaranteed issue basis. Meaning, if you have a pre-existing condition, the insurance company can neither deny you coverage nor increase your rates based on your health status.

This is not the case for healthshare programs. You will have to undergo medical underwriting since this process helps keep their costs low. Certain pre-existing conditions may make you ineligible for certain healthshares or a limitation may be placed on a condition.

Waiting Periods

You might have to wait before certain benefits kick in. As an example, you have to wait 12 months before receiving coverage for cancer treatment if you are with a program like Medi-Share. (Many people who join healthshare programs also add an inexpensive critical illness policy to cover them if they are diagnosed with cancer during that first year.)

How Healthshare Programs Differ from Traditional Health Insurance Plans

Much Less Expensive

Lastly, the most appealing distinction is the cost. Healthshare programs are significantly more affordable. For example, the national average for a silver insurance plan (for a family of four) is over \$1500 a month, with a maximum out-of-pocket over \$13,000 per year!

That same family could get a healthshare program that requires them to pay just \$5,000 to get 100% coverage for the year, for less than \$600 a month! That's a savings of nearly \$1000 every single month.

To see how much rates would be for you, just go to www.HSAforAmerica.com

Final Thoughts on Healthshare Plans

In the public debate over Obamacare, very little attention seems to be given to the millions of Americans who are experiencing massive rate increases and such financial hardship because of this law.

Because Obamacare primarily affects health insurance plans purchased by small business owners, self-employed individuals, and others not covered by large group coverage, those people feel the impact and bear the true burden of attempting to provide universal coverage to all.

This is not only fundamentally unfair, it is simply unsustainable. When your health insurance costs more than your mortgage, you know something's not right.

Healthshare programs are not for everyone, but they are an affordable option thousands of Americans are now choosing. Joining a healthshare program will enable you to group together with like-minded people, and may enable you to keep an extra \$500 or more a month in your pockets, instead of sending it off to an insurance company.

To discuss your options with one of our personal benefits consultants, give us a call at **800-913-0172**. We represent numerous HCSMs and can help you find the program offering the best value for your needs.



www.HSAforAmerica.com