


## Discount Health Plans

*Many advertisements today promise affordable health care or family health coverage for a relatively low monthly rate. Though the program may sound like an insurance plan, and may even include a small insurance component, it does **not** provide comprehensive health insurance protection. It may actually be a discount health plan.*

**Before you purchase** a discount health plan, consider the following important points:

- A discount health plan is **not** insurance.
- Claims of “insurance” may reflect only limited or minimal supplemental coverage, leaving you responsible for a majority of the bill.
- Discount plans do not pay medical benefits. The advertisers of these programs promise to negotiate discounts with medical providers, but you are responsible for paying the bill.
- The actual discount (the amount you save) is not generally known when you enroll in the plan. Claims of discounts “up to 60%” are not guarantees, and actual discounts may be considerably less.
- Providers may stop participating in the discount program at any time.
- A discount is usually dependent upon immediate payment at the time of service. Your provider may be willing to negotiate similar discounts without membership in a discount plan.

 **Do not purchase** a discount health plan until you can answer each of the following questions:

- What do I know about the company offering the plan; is it a legitimate business? Is it licensed?
- Has a copy of the plan been given to me, with all benefits detailed in writing, before I’m asked to pay?
- Have I telephoned my doctor’s office to make sure he or she is currently a participating provider?
- Have I verified the actual amount of the savings I will realize?
- Who do I contact if I have a problem?
- What is the procedure for canceling my membership, and what portion of my payment is non-refundable?
- Did I contact the Better Business Bureau for consumer report information?

### Additional Information

For more information about discount health plans, contact the Department of Insurance locally at 402-471-2201, on its toll-free consumer hotline at 1-877-564-7323 or visit the Department’s website at [doi.nebraska.gov](http://doi.nebraska.gov).