

When copays don't pay

Make **more sales** by showing your clients the true value of a **no-copay plan**.



In trying to lower health care costs, consumers are becoming savvier in looking for ways to save. And what they're finding is that for the average major medical insurance customer, a plan without a copay costs less annually and gives them more control of their health care spending than a copay plan. Here's why:

Of course, **the copay plan has higher monthly premiums** — typically \$30 to \$60 higher for an individual.* That's because your customers are paying extra for the privilege of unlimited discounted doctor visits — not just for themselves, but for everybody else with that copay plan.

Ah, but doesn't the savings from paying a copay instead of an office visit charge make up for it? Not necessarily. Consider:

- **Preventive** (wellness) visits recommended under the Affordable Care Act — a big reason people visit the doctor in the first place — are now covered 100%, including copays and office visit charges
- The average **copay** is \$35
- The average network-discounted **office visit charge** is \$88
- The average person makes **less than TWO non-preventive doctor office visits** per year

Average office visits, office visit charges and copay charges based on actual experience of Assurant Health Individual Medical consumers in 2011. Actual average non-preventive office visits per year: 1.6.

With two non-preventive office visits per year, your clients would pay \$176 in annual office visit charges with a no-copay plan vs. \$70 in annual copays with a copay plan — a savings of \$106 with the copay plan.

But with that copay plan, your clients are paying \$360-\$720 MORE per year in premiums!

It doesn't make much sense to pay up to \$720 in order to save \$106. Be sure to tell your clients how they may be able to put more of their health care dollars under their own control and save money with a no-copay plan.

Copay vs. No-Copay Monthly Premium Comparison*			
	Copay Plan†	No-Copay Plan	Savings with No-Copay Plan
Raleigh, NC ZIP code 27602	\$141	\$112	\$29
Indianapolis, IN ZIP code 46201	\$212	\$154	\$58
Denver, CO ZIP code 80014	\$219	\$175	\$44

† \$35 office visit copay; prescription drugs subject to deductible and coinsurance.

* Varies by state. All sample rates are monthly premium rates for a male age 30 (previously insured), CoreMedSM policy with a \$2,000 deductible, 50/50 coinsurance, \$3,500 coinsurance out-of-pocket maximum, no facility fee, policy effective June 1, 2012. Rates are rounded to the nearest dollar.

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