

Transcript: How to avoid the crappiest health insurance

Dan: Mitra Kaboli is an audio producer. And she has won awards for her journalism. So she is skeptical FOR A LIVING.

Just recently, she started looking for health insurance after a few years on an employer's plan. For the first time in a while, she logged onto healthcare dot gov

Mitra Kaboli: and it's been really difficult. forgot what this is like.

Dan: And she thought she'd see if she could get a direct quote somewhere else.

Mitra Kaboli: I was like, I already have Cigna. And so I thought I was on Cigna's website.

you know, I was like putting information to get a quote and I had to put in like my phone number and the next thing I know I'm getting a phone call.

Dan: just

Mitra Kaboli: And then, uh, well, actually my phone's been ringing off the hook for several days now,

Dan: But this first call, she took it. The person on the other end was offering her a really good plan. Actually, maybe a little too good to be true.

Mitra Kaboli: Like, you know, that was like red flag number one.

where I was like, no fucking way.

Dan: Except, in the moment-- remember, she basically thought she was getting a call from Cigna-- she let that question just sit for a while. And listened to the pitch.

Mitra Kaboli: It was like basically something like \$300 a month, which is less than half of what I'm paying right now.

No deductible unheard of. and , we went through the list of all of my doctors and they were like in the network, apparently.

Dan: I mean, too good to be true. But would you say no, if you thought Cigna was offering it to you? But there were other flags too...

Mitra Kaboli: they kept kind of like pressuring me to buy it, like immediately like put a credit card down right now. Like I'm going to transfer you to put a credit card down.

Dan: And Mitra wasn't quite ready to say yes to that.

Mitra Kaboli: I was like, I just really need to see this on paper. I was like, why isn't there a website where I can compare plans side by side, like normal. And they were like, well, because of Obama care, we can't do that anymore.

And I was like, I don't know. I don't think that's true.

Dan: It sounds wrong.

Mitra Kaboli: Yeah. That sounds wrong.

Dan: It's definitely wrong. The person on the other end of the phone was part of an elaborate, and very effective system that, I would say, aims to rip people off who are just trying to find decent health insurance.

We're gonna hear all about how that system works. And we're gonna do something else. We're gonna share some pointers from top insurance nerds about how to pick the least crappy health insurance out there.

And you know what? There's actually some pretty good news -- like, really good deals-- for a lot of people. But you've gotta know where to look. And what to avoid.

This is An Arm and a Leg, a show about why health care costs so freaking much, and what we can maybe do about it. I'm Dan Weissmann. I'm a reporter, and I like a challenge. So my job on this show is to take one of the most enraging, terrifying, depressing parts of American life and bring you a show that's entertaining, empowering, and useful.

So let's start with that bait-and-switch-- and somebody who exposed herself to it on purpose.

Dania Palanker: I'm Dania Palanker. I am an assistant research professor at the center on health insurance reforms at Georgetown university.

Dan: And you did a secret shopper survey recently,

Dania Palanker: Yes, I did. I did study to see what would happen to somebody who was going to buy health insurance and started by doing an internet search on.

Dan: and you searched for terms like cheap health insurance, or even Obamacare or, ACA signup. Is that right?

Dania Palanker: exactly. Those are the terms I used.

Dan: what'd you get.

Dania Palanker: I got brought to these websites that advertise to come up above the actual search engine results.

Dan: And here's the thing. These ads LOOK like good results. I tried it myself while I was talking with Dania. I got results like obamacare dash enroll dot org. had to look carefully to notice the word "ad"-- and I was looking for it!

Dania Palanker: I think the font's a little bigger, but it's the same color and it can be really confusing

Dan: I mean, I wasn't expecting this. You're LOOKING for Obamacare, and it's easy to end up ... somewhere else. So Dania picked the three results that came up the most often in these searches, and followed them.

But not as herself. Instead, she created two characters.

Dania Palanker: Jenny was, you know, young and healthy. Danny was closer to my age and had a high cholesterol and a heart condition.

Dan: So Dani-- the older character with a heart condition-- a woman, by the way, spells her name D-A-N-I-- basically needed real health insurance-- what nerds call an Obamacare-compliant plan. The kind that has to cover pre-existing conditions. Anything else, she's got trouble. Her cholesterol meds? Not covered. Her heart condition? Expect cardiology to be not-covered. Actually, they could decline to cover her at all.

So Dani needed ACA-compliant insurance. Three quarters of the folks on the phone... did not offer it to her.

Instead, they were pushing her to things like so-called "short-term" plans that don't have to meet Obamacare regulations. Folks like Dania Palanker call this "junk" insurance. One tried selling her a Christian Health Share, which isn't insurance at all.

And they were telling Dani stuff that was blatantly untrue. Even when she asked the right questions.

Dania Palanker: you know, like isn't going to cover me if I have a heart attack. Absolutely.

Dan: Of all the folks selling junk insurance, only one of them would send anything in writing. They wanted a credit-card number first. They had reasons, there was always a reason.

Dania Palanker: The people you're talking to have a script that's written to pull you in to make you feel comfortable, to make you think that they are doing the best thing for you.

Dan: What do they say?

Dania Palanker: They say they're gonna find you a cheaper plan

and then they just... Make you feel good? I mean, it's like, they're just chatting with you in a comfortable way. And every question has what seems like the right answer. If you don't know that it's the wrong answer.

Dan: And the biggest wrong answer is how they steer you away from plans on the Obamacare marketplace.

Dania Palanker: they tell you that they're more expensive, that they're on affordable for you, that they've got the right deal.

Dan: Which is just SUPER wrong. And not just because the alternatives these folks are selling are crap. But because Obamacare plans are actually a super-good deal this year.

That's thanks to the American Rescue Plan, the big stimulus package that Congress passed early this year. It included big subsidies for Obamacare plans. People at just about any income level get a discount, and they can be pretty impressive.

And millions of people qualify for a wildly good deal: Super-cheap monthly premiums that also squash the OTHER things that make health insurance terrible: Deductibles, copays, all of that. They're a ton lower with this deal.

The sales people Dania heard from weren't even necessarily trying to lie to her. She thinks they were just following their scripts.

Dania Palanker: one of the people I spoke with actually had me put into the computer healthcare.gov and go, and he was like, see what high deductibles you have. And I said, I see

a plan for no deductible. \$2 and he got quiet. He didn't know what I was saying. So it was clear that he wasn't lying to me.

He didn't know these subsidies were out.

Dan: It's a lot of people who can get this super-good deal. To qualify, your household income can be up to 250 percent of the federal poverty level. Which I had to look up, because I don't know that number off the top of my head either.

For a single person, that 250 percent number is just over 32 thousand dollars a year. That's a LOT of people.

And even if you don't qualify for THAT deal, the subsidies for everyone else are really substantial.

So these operations trying to get between you and those subsidies, Buying up Google AdWords to sell you junk insurance? I'm gonna call this a scam... What they SAY they're selling you and what they're ACTUALLY selling you are not the same. That doesn't seem... legal. Dania Palanker says the FTC and state regulators have tried going after them.

Dania Palanker: a lot of times you hit a wall where you can't quite figure out who is behind it. At times from the FTC has found out who's behind. That entity has been put out of business.

But I've also spoken to state regulators who say they put one of these entities out and another one pops right back up and it's a bit of a whack-a-mole.

Dan: And you do not have to be some sucker to fall for this. We've got documented cases: A Peace Corps volunteer, a Harvard law student, a super-skeptical journalist...

Not Mitra Kaboli. A different journalist. Named Oliver-Ash Klein. They posted a whole horror story to Twitter. After canceling their credit card to get out of the deal. It was hilarious-slash-horrifying.

I sent Oliver's story to Mitra before we talked.

Mitra Kaboli: I was like me too. Me too, man. I was really close.

It sounded like almost exactly what happened to me, except I didn't give them any money

Dan: Yeah, Mitra told the guy, "Look, I need to actually call my doctors and have THEM tell me they take this plan you're talking about."

Mitra Kaboli: So I called all of my doctors and they were like, I don't know.

I don't even know what you're talking about. You know, cause people at the front desk, they know what they, they, they see everything, you know, and they're just like, I don't know what that is.

Dan: I told Mitra, what's interesting is: Even though you were starting to see the red flags, like the high-pressure sales tactics... you STILL spent like an hour of your life calling all your doctors offices, just on the off-chance this could be legit.

Mitra Kaboli: I know this is like the heartbreaking thing about when something is too good to be true. Like you want it to be true.

Dan: And Mitra had actually gone to healthcare dot gov first, to see what she could get there. And she didn't find this good news I'm talking about.

Mitra Kaboli: I put in, my income and it said I wasn't eligible, but then I read online that it's like, depends on what the price of the plan is versus what you, so I'm not really sure. And, you know, the website is like, so janky.

It's

Dan: right,

I mean, it's, it's not as bad as it used to be, but it's um, well, so here, let me, let me send you this and see if this helps, uh,

Dan: I sent Mitra a link in the chat.

Dan: So this is a subsidy calculator. and if you enter your household income then it'll tell you. How much of a subsidy are eligible for.

Mitra Kaboli: Okay. Let's see. Oh, it says I'm likely eligible for help. Okay. Maybe this won't be so bad.

Dan: Does it say how much

Mitra Kaboli: It says estimated help. \$305. Your cost for a silver plan. Okay. Without financial help, a silver plan would cost \$617 a month. And so my plan would cost \$313 a month. Okay.

Dan: Could be worse,

Mitra Kaboli: that's maybe yeah. Could be worse,

I was looking for a tool like this, actually, but they all seem like on shady websites again.

Dan: Yeah, this one is from the Kaiser Family Foundation. They publish our pals and co-producers at Kaiser Health News. Not shady. I'll put a link to it wherever you're listening to this.

I asked Mitra to show me the site that had rooked her into all this. She pulled up her browser history...

Mitra Kaboli: I was@cignadotcomdothehealthmarketadvisor.com. Now that I'm looking at the page, I'm like this, obviously isn't Cigna, like I'm embarrassed.

Dan: beat. I know.

Mitra Kaboli: Like I'm looking at this and I'm like this isn't Cigna's website. Like I,

know what Cigna's website looks

Dan: I led a dude from, I got to what I thought was an HP dot com support page and ended up giving a random person, the credentials to take over my computer to help fix my printer.

Mitra Kaboli: oh my God.

Dan: So, yeah. Health insurance isn't the ONLY area where Google's gonna lead you astray. And I, famously savvy operator DAN WEISSMANN, fell for that one. Holy crap, changing all those passwords was a nightmare.

Mitra Kaboli did not give anyone her password or her credit card number. But because she'd put in her phone number on that website, she did have one hassle to deal with.

Mitra Kaboli: I've been getting calls nonstop and I'm like, who are you? Who are you calling from? And they're like the New York enrollment center.

It's like, that's not a real place. That's not a place.

Dan: Yeah, that's how this thing works. Those websites are basically one shady operation that exists to collect phone numbers to sell to other probably-shady operations who want to sell you crap insurance. WHEW!

OK, so two big takeaways so far:

One, this year if you're looking for health insurance, you probably want Obamacare. [Not an opinion about the Affordable Care Act, just a dollars-and-cents thing.]

And if you want Obamacare, do not leave it to freaking Google. Just type in healthcare dot gov.

And once you're there... well, yes. It can get kinda confusing. There's a lot of fine print to read.

I've been getting some extremely solid advice on that front from some top top health insurance nerds. No matter where you get your insurance-- your job, Obamacare, whatever-- that's knowledge we all need. That's right after this.

This episode of An Arm and a Leg is produced in partnership with Kaiser Health News. KHN is a non-profit newsroom covering health care in America. It is not affiliated with the healthcare giant Kaiser Permanente. We'll have some more information about Kaiser Health News, right after this.

Also, hey: If you appreciate what we're doing here at An Arm and a Leg, I would love it if you would make a donation to support the show. This is the perfect time to do it: Right now, a campaign called NewsMatch will, well, MATCH your gift. Your money goes twice as far. The place to go is arm and a leg show dot com, slash, support.

Ok, time for how-to-read-the-fine-print. So, if you're looking at plans on healthcare dot gov-- or your state's version of the Obamacare marketplace, or really anywhere-- I'm gonna give you five things to look for.

To start with, you've got three sources of fine print, three documents, that should be there for any plan. You may have to do some clicking around to find them, but they are there somewhere.

First is the provider directory. Healthcare dot gov and state websites have tools where you can plug in your doctor's name and see which plans cover them... but word from the nerds is: You want to double check. And the provider directory is where you do that.

Karen Pollitz is a senior fellow at the Kaiser Family Foundation. She was helping a cousin in New Jersey pick insurance recently, who had some doctors they really, really needed to keep seeing.

Karen Pollitz: And I started with that state marketplaces provider search tool. And it said her doctor wasn't in any of the networks. And I thought, oh my God, what are we going to do?

Dan: In this case, looking at the fine print turned up good news: Karen actually found that doctor in the provider directory. Whew!

And here's a bit of follow-up on that advice: You find that doctor's name in your provider directory? Take a screenshot. Here's Sabrina Corlette. She runs Georgetown's Center on Health Insurance Reforms; Dania Palanker who did the secret-shopper survey we were talking about? They're colleagues.

Sabrina says, you keep that screenshot in a safe place.

Sabrina Corlette: if there's a dispute later on, right? So you go see Dr. Jones because you believed in good faith. Dr. Jones is in the network. But then you, get a bill and the insurance company is not paying for it because you trust the company saying no, no, no.

Dr. Jean Jones is out of network.

Dan: You can dispute that with your state's department of insurance.

Sabrina Corlette: And if you have that screenshot. Many insurance departments will go back to the carrier and say, uh-uh., you got to pay Dan's bill.

Dan: Great. Many, but not all. It sounds like.

Sabrina Corlette: it's not a hundred percent. It will depend, but it certainly, it's one of those things that could absolutely help.

Dan: OK, I'll take all the help I can get. So that's the first piece of fine print you're looking for: the provider directory.

Next, you want to find something called the Summary of Benefits and Coverage.

Karen Pollitz: And kind of an ugly looking document.

Dan: Karen Pollitz says that's basically how you know you're looking at the right thing.

Karen Pollitz: It's a grid, it's four pages front and back. So it's like eight pages.

Dan: Yeah, this is the thing about the Summary of Benefits and Coverage: It's completely standardized. So the first line of that grid, on page one? Your deductible. Next line? Other deductibles.

Karen Pollitz: Cause sometimes plans have, you know, three or four deductibles, one for hospital, one for drugs once it Right.

Dan: And that may not show up in the brochure, or a summary on the website. But you'll find it here.

And because this document is standardized-- same information on the same line, every time-- you can use it to compare different insurance plans apples to apples.

So that's two. Third fine-print document you're looking for: The prescription drug formulary.

If there are drugs that you take, here's where you find out how much they'll cost you out of pocket on this plan. The insurance folks love to put different drugs on different "tiers" -- and here's where you find out which drugs are on which tier. In other words...

Karen Pollitz: are you going to have to pay a \$10 copay for this or a hundred dollars copay or 50%?

Co-insurance

Dan: Co-insurance. That's what they call it when they pay a percentage and you pay the rest. You're co-insuring yourself! Isn't that special.

Karen Pollitz: From my cousin's drug that costs 5,000 a month. We're not liking the 50% co-insurance feature

Dan: Yeah, no kidding. So that's our three sources of fine print. Now here's two other things to check.

Did you know that insurance plans on the Obamacare marketplaces get a rating like on Yelp? Me neither. I learned that from health-insurance super-nerd Louise Norris.

She's an insurance broker who writes for a website called health insurance dot org. She started out just writing a blog for her agency's clients, to answer questions that came up over and over. That was 15 years ago.

Louise Norris: I just started doing that and pretty soon, you know, I really gravitated to that. I enjoy reading the legislation. I enjoy reading the regulations, I enjoy writing about it.

Dan: I'm telling you, super-nerd. Thank god for the super-nerds.

So it's Louise who tells me that the government now gives Obamacare plans quality ratings-- one star to five. Partly based on surveys from each plan's customers, and partly from other data the government collects. And they need three years worth of data to have a rating.

Louise Norris: So you will see some plans. We'll just say not rated. Um, that doesn't mean they're bad, you know?

Dan: It just means they haven't been around long enough to get a rating. That's one reason Louise thinks this should be one of the last things you look at-- after you've read the other fine print to see if a plan is going to work for you.

Louise Norris: the star rating could be just one more piece of the puzzle just one more metric for people to use.

Dan: Sounds good! And then back to Karen Pollitz for one more measure. Did you know that insurers are supposed to report to the government about how often they deny claims? ME NEITHER!

Oh, and before we get too happy, let's go back to that sentence: Insurers are SUPPOSED to report this data. But...

Karen Pollitz: right now only marketplace plans offered on healthcare.gov report any of this data and they only report a little bit of it.

Dan: Yeah. And apparently the form that data takes-- it's hard for regular human beings to access and read. Actually, it's hard even for super-nerds. Karen says she's waiting for a computer programmer to free up time to get the latest data set broken down to a form she can work with.

That's the bad news. But the good news is: Karen gets that data every year, writes up an analysis... and posts a spreadsheet that you and I can access. And there's important information there. Like for instance:

Karen Pollitz: Anthem for the last couple of years. Is pretty much leading the nation in denied claims.

Dan: Yeah. Anthem. You sort that spreadsheet by "denial rate"-- six of the top ten results are for Anthem plans. Every one of them rejects more than 30 percent of all claims.

Karen Pollitz: So, you know, the cheapest plan it's like, okay, Just know that you may have to go rounds with them and may not get your claim paid.

Even if you go in network

Dan: We got news you can use right here, man. OK, it's mostly bad news, but STILL.

Me and these nerds just gave you five things to look for, let's review:

One: the provider directory. Take a screenshot.

Two: the summary of benefits and coverage.

Three: the drug formulary

Four: Star ratings.

and Five: Karen Pollitz's spreadsheet that shows who denies the most claims.

And that's on top of our big lessons from the first part of the show: You want an Obamacare-compliant plan this year. Save you a bunch of money. And DO NOT COUNT ON GOOGLE to help you find one.

And I hear you saying, that's great Dan, but what am I supposed to do with all this right now? Dude, I listen to podcasts when I'm out for a run, or washing the dishes, or driving the car, or whatever. Am I supposed to stop what I'm doing and start taking notes here? Come on, dude.

And I'm like, nope! You absolutely do not need to do that. Because I have started writing all this stuff down. In one place. Where you can read it.

It's in our new newsletter, called First Aid Kit-- started just a couple weeks ago-- and these first installments are all about picking insurance. And every installment of First Aid Kit is permanently posted to the web, at the exact same place you go to sign up. That's arm and a leg show dot com, slash, newsletter.

All the resources I've been talking about, you'll find there. Along with the best advice I've seen about how to avoid picking a crappy insurance plan, and all the pain-in-the-butt vocabulary you'll need:

Quick, what's a deductible? What's coinsurance again? What's an HMO, a PPO, an E-PO? We have got you covered.

We're doing a total of three First Aid Kit installments on picking insurance. Because, guess what? Picking insurance is horribly, horribly complicated. The second part of that series is coming out at the same time as this episode of an arm and a leg. You'll find it at arm and a leg show dot com, slash, newsletter.

We are able to do this because you have been supporting us. And if you like what you're hearing and seeing, this is the best possible time to pitch in. A program called NewsMatch means that anything you give us right now counts for twice as much. You give us twenty bucks-- or fifty, or a hundred-- they match you.

And if you sign up for a monthly pledge, they will match an entire year's worth, upfront. So, you sign up to give us five bucks a month? They give us sixty. You sign up for ten bucks a month? They give us a hundred and twenty bucks, WOW.

You can make that happen by going to arm and a leg show dot com, slash support. That's arm and a leg show dot com, slash support.

Thank you for enabling me to do this work. And thanks for listening. I will catch you in a couple weeks.

Till then, take care of yourself.

This episode of An Arm and a Leg was produced by me, Dan Weissmann, with help from Emily Pisacreta, and edited by Marian Wang.

More credits: Gabrielle Healy edits the First Aid Kit Newsletter and deserves credit for what you're hearing this week and is amazing. Izz Scott LaMagdeleine is our audience producer: They're helping us figure out how to be more entertaining, empowering, and useful on social media and everywhere else.

Adam Raymonda, our audio wizard, is an engineer, sound designer, and musician who makes this show sound, in my opinion, awesome.

And Daisy Rosario is our consulting managing producer, which is the title we improvised for her role as the person who guides this show's direction, strategy, and vision.

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They share an ancestor. This guy, Henry J Kaiser. He had his hands in a lot of different stuff.

Really different. Built a chunk of the U.S. cargo fleet for World War II. Made Aluminum foil. Created one of the first big resorts in Hawaii.

When he died, more than fifty years ago, he left half his money to the foundation that later created Kaiser Health News.

Diane Webber is National Editor for Broadcast and Taunya English is senior editor for broadcast innovation at Kaiser Health News-- they are editorial liaisons to this show.

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And BIG thanks to everybody who supports this show financially. Time to shout out some of the folks who have come aboard or increased their support recently.