



DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
Insurance Division

DCCA News Release

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HAWAII INSURANCE COMMISSIONER HIGHLIGHTS PROBLEMS WITH CONSUMERS REDUCING MEDICAL CARE TO SAVE MONEY

HONOLULU – Hawai'i Insurance Commissioner J.P. Schmidt is highlighting new research that shows that many Americans are cutting back on medical care — potentially putting their health at risk.

The National Association of Insurance Commissioners (NAIC) reported the results of a recent survey, which show that the weakening U.S. economy is taking a toll on healthcare in America. The survey of 686 consumers, conducted in July, found that 22 percent of U.S. consumers say that they have reduced the number of times they see the doctor as a result of today's economy. Furthermore, 11 percent of consumers say that they have cut back the number of prescription drugs they take or the dosage of those medications to make the prescription last longer.

“Delaying medical treatment and regular physicals puts consumers at risk for potential health issues — and increases overall health insurance costs,” said Schmidt. “It's critical that consumers continue to take responsibility for their health, so that we can all benefit from healthier lives and more affordable healthcare.”

And, while consumers might be making budget cuts in other areas, the NAIC's survey revealed that the vast majority *have not* reduced, cancelled or otherwise made changes to their insurance policies.

“Insurance is an important — and oftentimes mandated — purchase for most Hawai'i residents,” said Schmidt. “That is why the Hawai'i Insurance Division is committed to helping every resident be a smarter insurance consumer.”

The NAIC offers tips for consumers on how to lower their insurance premiums through its public education program, Insure U, at www.InsureUonline.org.

Tips to Help Consumers Lower their Health Insurance Premiums

- If you're married and both spouses work at jobs that provide health insurance, compare these policies and their costs to see which one best fits your needs. Look beyond the monthly amount you must pay and closely evaluate covered services, co-pay requirements, deductibles and reimbursement levels so that you make the best choice for your family and your pocketbook.
- Stay in-network when possible, making sure to get referrals and pre-certifications as required by the plan.
- Keep all receipts for medical services, whether in- or out-of-network. In the event you exceed your deductible, you might qualify for a tax deduction for out-of-pocket medical bills.
- Consider opening a flexible spending account (FSA), if your employer offers one, which allows you to set aside pre-tax dollars for out-of-pocket medical expenses.

Tips to Help Consumers Lower their Life Insurance Premiums

- Keep in mind that life insurance premiums generally increase with age.
- Stay healthy or get healthy. Insurance companies might review your health habits and will consider certain behaviors, like smoking or excessive drinking, when determining your premiums.
- Avoid risky behaviors. Dangerous hobbies — such as skydiving, hang-gliding or rock climbing — will likely cause higher insurance premiums.
- Maintain a good driving record. The better your driving record, the better rates you'll receive for life insurance.

Tips to Help Consumers Lower their Auto Insurance Premiums

- Consider safety devices if you're buying or leasing a new car. For example, getting a car with anti-lock brakes, side air bags, automatic seat belts and daytime running lights can help you save on premiums.
- Install anti-theft devices on your car, such as an alarm system or global positioning system so that your car can be located if stolen. Notify your insurance provider if you have these devices or have recently installed them.
- Maintain a good driving record, as the number of accidents, DWI/DUI citations, claims and tickets directly affect your premiums.
- Call your insurance provider and ask about eligible discounts such as a multi-car discount, good grades (for students under 25 years of age) and mature driver (for consumers between 50 and 65 years of age) among others.

Tips to Help Consumers Lower their Homeowners Insurance Premiums

- Install protective devices — such as a burglar alarm system, smoke detectors and deadbolt locks. Notify your insurance provider if you have these devices or have recently installed them.
- Consider consolidating your homeowners and auto insurance policies with the same insurer, as you might be eligible for a multiple-policy discount.
- Maintain a good credit history. Many insurance companies consider credit history when determining how much to charge for insurance.
- If you can afford to pay for minor repairs out of pocket, you might want to consider raising your deductible.

“Insurance is one of the easiest ways that consumers can protect themselves against significant financial loss, especially during difficult economic times,” said Schmidt. “It’s also important that consumers understand their insurance needs and options. We urge them to visit Insure U to learn more.”

For more insurance information:

- Call the Hawai`i State Insurance Division’s Education Specialist John Wienert at 587-6742. On the Neighbor Islands call, Kaua`i 274-3141, Maui 984-2400, Hawai`i 974-4000 and from Moloka`i or Lana`i 1-800-468-4644.
- Visit www.hawaii.gov/dcca/areas/ins to link to Hawaii’s insurance Division Web site.
- Visit www.insureUonline.org for additional tips specifically geared toward a variety of life situations.

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