

# Insurance after college: What you need to know

April 2010

INSURANCE *Tips*

## Free help with your insurance questions or complaints

Consumer Advocacy  
Hotline

Toll-free  
1-888-877-4894

Salem  
503-947-7984

E-mail  
cp.ins@state.or.us

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[twitter.com/DCBSCory](http://twitter.com/DCBSCory)

Insurance Division  
350 Winter St. NE  
P.O. Box 14480  
Salem, OR 97309-0405

Phone: 503-947-7980  
Fax: 503-378-4351  
Web: [insurance.oregon.gov](http://insurance.oregon.gov)



Are you buying insurance for the first time? Do you have questions about what insurance is right for you? The Oregon Insurance Division, a state agency, offers these tips to help you buy the right insurance policy and save money. To learn more, visit [www.insurance.oregon.gov](http://www.insurance.oregon.gov).

## Health Insurance

### Your insurance options include:

**Staying on your parents' plan:** Recently passed federal health care reform allows dependent children up to age 26 to stay on their parents' health insurance plan. However, some newly graduated students will lose their parent or school-sponsored health insurance before this law takes effect. The exact date your health insurance expires depends on your policy. Some insurance contracts end your coverage on the date of graduation, while others set an age limit. It is important that you contact your insurance company to find out when your insurance stops and how you can keep continuous coverage.

**Employer coverage:** Many people obtain health insurance coverage through an employer. Your employer may set eligibility requirements and cost-sharing provisions. Ask your employer or human resources department for more information.

**Individual insurance:** If you don't get insurance from an employer or parent, buying individual insurance may be the most cost-effective means to get insurance. However, people with pre-existing conditions, including pregnancy, may be rejected until federal reforms take effect in 2014. If you are rejected, you may apply for coverage through the Oregon Medical Insurance Pool (OMIP). To learn more about OMIP, call 800-848-7280 or visit <http://www.omip.state.or.us>.

**Short-term health insurance:** Short-term health policies usually last for six months and may be a good option to provide gap coverage before obtaining permanent health insurance.

**Continuous coverage:** If you have group coverage now (through an employer or your parents' employer), there are laws that allow you to keep this coverage temporarily or to buy a portability plan from the same insurance company. These may be particularly important if you have a pre-existing medical condition. Talk to your agent, insurer, or employer, or call an Insurance Division advocate for more information.

**Oregon Health Plan:** Low-income Oregonians may be eligible for free or low-cost coverage through this Medicaid program. People who are pregnant may qualify immediately if they meet eligibility guidelines. Contact the OHP Application Center at 1-800-359-9517.

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## Shopping for health insurance

- ▶ Shop for the best prices. Don't just look at the monthly premium. Compare deductibles, co-payments, and out-of-pocket maximums. Typically, the higher the deductible, the lower the premium.
- ▶ Review benefits. What is covered and excluded by the policy? Does your policy require prior authorization?
- ▶ Low monthly premiums may come at a high price if you suffer a catastrophic injury or illness. Make your insurance decision based on your lifestyle and your medical history.

## Auto Insurance

If you live with your parents and don't own your own vehicle, you may be eligible to remain on your parents' auto policy. Staying on their policy saves money because parents are considered lower-risk drivers than young drivers. However, if you bought your own car and hold the title, regardless of whether you live with your parents, your insurance company will require you to purchase your own auto policy.

### Tips for lowering cost

- ▶ Talk with your agent or insurance company about insurance costs before you buy a car. Certain makes and models, especially sports or turbo cars, cost more to insure.
- ▶ Ask several companies for quotes. You may find several hundred dollars' difference between quotes. Be sure to compare identical coverages when comparing policies.
- ▶ Drop collision coverage on cars that cost more to repair than they are worth. For example, consider carrying only liability coverage for cars valued at less than \$1,000.
- ▶ Take the highest deductible you can afford on collision and comprehensive coverage.
- ▶ Maintain a good driving record. Ask your agent if you qualify for discounts, including safe driver programs.

## Renters Insurance

Renters insurance covers your personal belongings and personal liability (legal responsibility) when you rent a house or apartment. Estimate the value of your possessions to assist you in determining the amount of coverage you may need. Renters insurance in Oregon averages less than \$14 a month.

**Multiple roommates:** Renters insurance usually covers you or any relative you live with. If you live with non-relative roommates, each of you would need your own renters insurance policy to cover personal belongings and personal liabilities. Check your insurance policy contract or talk to your agent or insurance company for more details.

**Make a list:** When a claim is reported, the insurance company will ask you for proof of purchase for all items. Make sure you have a comprehensive list of your possessions, including purchase price, model numbers, and serial numbers. Original receipts or a copy of the original may be required. We suggest you keep a copy of this list off-site.