

**Opting Out of
Obamacare
With Christian
Medical
Sharing**

By
James L. Paris
Editor-in-Chief

Christian Money.com

www.christianmoney.com

Save 30 to 50% on Health Insurance by Opting Out of Obamacare

This report will not be taking a political slant. If you are already familiar with my website, Christian Money.com, you already know that I am a conservative and there is a lot about Obamacare that I don't like. This report will not be getting into any of the policy issues regarding Obamacare, why I believe that this type of coverage represents a move toward socialism, or any of the elements of the raging political debate that continue. Rather, I want to focus on one issue: saving money.

When Employer-Provided Health Insurance Becomes Too Pricey

In my own case, my wife is a schoolteacher and we have historically enjoyed very good medical benefits. Our health insurance has never been free but it has been subsidized, in part, by my wife's employer as an employee benefit. We started noticing, about a year ago, the employee contribution portion substantially increasing. I put a pencil to it and was really shocked at how much was coming out of my wife's paycheck every two weeks just to cover the expense of our family health insurance. Being a Christian finance writer, I had already been aware of the concept of Christian medical sharing for some number of years. Honestly, I never thought that this type of a program was for me. The reason I dismissed it was probably twofold: First, we had good insurance through my wife's employment and it seemed fine, so why upset the apple cart? Second, this whole idea of joining a medical expense sharing pool with a group of people I did not know (albeit Christians) seemed a little odd. The idea was not just strange to me, but I wondered if this truly was a legitimate alternative to health insurance. If I had a major claim, would they be able to pay?

The cost of Obamacare is projected to be three times more than the original estimate. No one really knows, in the end, what the program will cost. What is also unknown is where the money will come from to shore up the shortfall. As mentioned previously, in the last two years we've seen a dramatic increase in the cost of our own personal health insurance coverage. I know our situation is not unique, and since Obamacare was passed into law the cost of health insurance has skyrocketed across the board.

Why Is The Cost Of Health Insurance Going Up So Rapidly?

There are a lot of reasons that we can point to for the higher cost of health insurance. First, the cost of medical services rises each year at double the standard inflation rate. Second, under Obamacare, those with pre-existing conditions will be able to buy standard rate insurance coverage and cannot be turned down. This really does sound wonderful, doesn't it? I know this is great news for many who have had significant medical issues and are unable to afford health insurance. The problem with this from an actuarial standpoint is that it really violates the concept of insurance as we know it. The comparison that I have heard is like being able to buy homeowners insurance after your home is burned to the ground. This would not be 'insurance,' right? You can't buy insurance *after* you need it. Under Obamacare you can. The cost of absorbing individuals with pre-existing conditions into the system will be borne by everyone that buys a traditional health insurance plan. In fact, a woman can wait until after she is pregnant and purchase health insurance just prior to delivery and enjoy full coverage for the birth of her child. This may sound completely outrageous, but it is true.

Fines for Obamacare are Really Not Much of an Incentive to Buy Insurance

You might be asking, "What about the fines that these people will be paying?" Yes, there will be fines for those that do not purchase health insurance. So, the example I just cited of a pregnant woman

buying health insurance at the last moment would also mean that this woman was paying a fine each year (fines begin in 2014 and are fully scaled by 2016). The problem with this notion is that the fines are small and come nowhere near the cost of actually buying a health insurance plan. That is why it actually makes good financial sense for many not to purchase health insurance until after they need it. This is the dirty little secret of Obamacare that you won't hear discussed by those that support it. This is why Obamacare is really not insurance. The idea that people can wait to buy it until after the need arises disqualifies it from being able to be legitimately considered “insurance.”

As you can imagine, just this one element of Obamacare is enough to cause the cost of all health insurance policies to go through the roof. When you factor in other elements of the plan, such as requiring insurance companies to allow people to keep their adult children on their policies until the age of 26, the true cost becomes incalculable.

Christians Can Legally Opt Out of Obamacare

Are you familiar with Christian medical sharing? It has been around for a few decades now, and is an intriguing alternative to traditional health insurance. Its existence is based on the biblical principles related to the idea of people sharing the burdens of one another. With this kind of share program, the money taken in each month (in a form similar to insurance premiums) *from* members is used to pay the health care costs *of* members. For many people, the cost savings of a Christian medical sharing program can be enormous. Eligibility is not necessarily a given however; generally, members have to live biblically-based lives, and have to be able to prove it – for example, regular church attendance is required, and alcohol abuse makes someone ineligible for coverage (and there can be testing mandated by the share program to check for that).

I became aware about a year and a half ago that the three major Christian medical sharing organizations got together and successfully lobbied Congress for an exemption under the new law. As a result, Christians are able to completely opt out of Obamacare without facing any fines. This represents an amazing loophole and opportunity for Christians. If you join a recognized Christian medical sharing program, you are exempt from the requirement to carry health insurance under the mandate. In my own case, I am able to join a Christian medical sharing plan for my children and myself for less than half of what it would cost for us to be on my wife's employer provided plan. Even though my wife's employer is kicking in a substantial amount of money each month to subsidize the cost of the employee benefits, we are still able to save about 50% from those rates. The bottom line on what this means is that while mainstream health insurance appears to be in a death spiral, charging higher rates and offering less benefits as each year, Christian medical sharing can still operate with reasonable practices that keep the rates affordable.

Pre-Existing Medical Conditions and Christian Medical Sharing

Christian medical sharing will not accept responsibility for pre-existing medical conditions. Each plan has its own policy and method of dealing with pre-existing conditions. The program that I am a member of excludes most pre-existing medical conditions, but allows for coverage after a certain number of years of membership. Also, with my plan, an adult child older than 22 must purchase his own separate coverage. They additionally require that you don't smoke and that you are not overweight. If you are overweight, you will be required to pay for health coaching (\$80 monthly) and resolve your weight issue within your first year of membership. Additional provisions require verification that you have a regular church home and that you agree not to abuse drugs or alcohol. Believe me, they don't just take your word for this. You are required to submit lab tests during the application process and they will even call your pastor to make sure you are really plugged in to a local church. Some may view these requirements as onerous but in my view this is what makes the program work so well and keeps the costs down.

Carrying a High Deductible Will Bring Down Your Costs Substantially

I chose to carry a \$5,000 deductible (household allowance) with the Christian medical sharing program that I am a member of. This means that each year we must surpass \$5,000 in medical expenses as a family before we would begin to receive any benefits. There is also the option of a \$1,250 household deductible (just like with standard insurance, the lower deductible would also come with a higher monthly membership fee). So, what I have in place would be considered 'catastrophic coverage.' In exchange for substantially lower monthly rates, I have agreed to be 'self insured' for the first \$5,000 of annual medical expenses. (It should be noted that I am using the term "insurance" in making reference to Christian medical sharing, but it is not actually considered insurance. This is a really big deal for these organizations that they not represent to the public that they are insurance, so I am taking a bit of a license here for the purpose of explaining things).

Even if we decided to stick with my wife's insurance plan for another year, all of the deductibles had increased and so did the out-of-pocket co-pays. What once represented a very complete and robust insurance plan has been whittled down to what is tantamount to a major medical policy anyway (and at an outrageous cost). Most people I talk to are seeing higher rates and fewer benefits in their own plans, and this is a trend that is likely to continue.

Finding Discounts When Paying Cash for Medical Services and Prescription Drugs

You will be surprised how easy it is to find discounts and operate on a cash basis with your day-to-day medical expenses. The doctor that I have been seeing for my annual checkups, colds, etc., was always available to me for a \$25 co-pay under my wife's plan. Once I joined the Christian medical sharing program last year I had to inquire about what my cost would be for paying cash. I was surprised that

the cost of an appointment with my doctor was only \$58. I am not sure why, but I thought it would be much more than that. I also found a regional grocery store chain with a pharmacy that provides my blood pressure medication for free (not sure why it is free, but it is and this 'free promotion' has been going on for five years). The other medication I take for my cholesterol is only \$4.00 monthly after I joined the free discount program available at another grocery store across town. So, the lesson here is that it is fairly easy to get by without carrying a high cost health insurance plan if you do your homework. With the money that we are saving, we're building up a substantial emergency reserve to deal with any large out-of-pocket medical expenses.

If you have a substantial pre-existing medical condition in your family, you would likely be better off going with Obamacare. The way I look at it is that the law has been passed and all we can do now is make the best of the situation. Let's say that you join Christian medical sharing and later it turns out that you have a very substantial medical condition. There is nothing to stop you from dropping out of Christian medical sharing and signing up for Obamacare. This is the crazy thing about the program. Just like many will sit out and wait until they are sick to join Obamacare, you can take full advantage of the cost savings of Christian medical sharing and later move into Obamacare if you need to.

Christian Medical Sharing Programs

There are three major Christian medical sharing programs. I have written two articles and also recorded two podcasts on this topic; let me start by providing you with links to these resources –

[Podcast #1 On Christian Medical Sharing \(Medishare\)](#)

[Podcast #2 On Christian Medical Sharing \(Christian Healthcare Ministries\)](#)

[Christians Opt Out Of Medical Sharing](#)

[Christian Medical Sharing – Is The Devil In The Details](#)

[Obamacare Is Here - How To Make The Most Of Your Options](#)

What Program Did I Personally Select?

After careful review of the three major plans, here is how I would rank them –

[#1 Christian Care Ministries](#)

[#2 Christian Healthcare Ministries](#)

[#3 Samaritan Ministries](#)

In doing my review of the three plans, I personally came to the conclusion that Christian Care Ministries operated the most similarly to traditional health insurance. For me, I would not even consider joining Samaritan as it was entirely too informal. For example, it lists the needs (claims) in a newsletter and recipients contribute toward the published amounts. I really needed something more substantial than this. It was very close between Christian Care and Christian Healthcare, but Christian Care seemed more institutionally reliable and organized. Also, since they are based in Florida where I live that was an additional benefit that sort of clinched it for me.

After joining Christian Care Ministries I learned that they have a referral affiliate program that pays \$100 per new member referred. This is a great feature and allows me to earn money to offset my monthly dues by telling people about the program. They provide links and other tools that can even be embedded in a website or blog. So, if you do join Christian Care please let them know I referred you. ChristianMoney.com will benefit by receiving \$100.

Conclusion

With the exploding costs of health insurance, Christian medical sharing represents both a smart consumer option and a wonderful, biblically-based means of handling unexpected large medical bills. While it is not for everyone, I believe it deserves your consideration as an option. Many people stay with jobs that they hate because of the employee insurance benefit. Moving over to a plan like this will provide you the mobility to change employers or even start a home-based business.