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How to Get Health Insurance Outside Open Enrollment Period

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Alamy

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For consumers who want health insurance but missed the open enrollment deadline under the Affordable Care Act and its extensions, your best bet is to purchase short-term health insurance to protect you against major medical debt in case of emergencies.

Unpaid medical bills are the leading cause of bankruptcy in the U.S., said Egon Smola, a senior vice president at GetInsured, a Palo Alto, California, health insurance broker. If you are between 25 and 34 years old, you have a 5 percent chance of incurring medical bills of at least $27,000 this year and a 10 percent chance of medical bills of at least $13,000, he said.

Short-term health insurance does not cover preventative care or pre-existing conditions, so it does not meet the requirements for minimum essential coverage under the act. That means you'll pay a tax penalty.

Accident or Critical Injury Policies

Other options include accident or critical injury insurance policies, but they don't meet your coverage requirements under the law either, said Carrie McLean, director of customer care at eHealth.com, an online health insurance exchange in Mountain View, California. Insurance companies can decline you or a family member for such policies based on your personal medical history.

Still, they are "much cheaper than if you become gravely sick while uninsured and go into serious debt or worse, bankrupt," said Michael Stahl, a senior vice president HealthMarkets, a North Richland Hills, Texas online health insurance exchange company.

Life-Changing Events?

Some people can sign up for insurance outside the open enrollment window. If you turn 27 and were insured through your parents, get a new job, move to a new city or get divorced, you qualify to buy insurance, because such scenarios are considered qualifying life events. The other exceptions include getting married, losing coverage from your employer if you quit, get fired or laid off.

If you get a new job and your employer offers coverage for you or your spouse, you may have the opportunity to enroll in a group health insurance plan. Most employer-sponsored health plans will meet your coverage requirements under the act. Keep in mind that you cannot use government subsidies to help reduce your premiums under employer-sponsored plans, but you have the option to opt out and buy insurance from private companies or the government yourself.

Or You Can Negotiate or Appeal to the Crowd

If you decide against buying short-term or critical illness coverage, you still have some options, such as talking to your doctor or hospital about negotiating their fees. "It is not an easy task, but it can result in big savings," said Noah Lang, founder of Stride Health, a San Francisco health insurance exchange. "Medical bill advocates like CoPatient in Boston can also help do this negotiating for you. Make sure to check your medical bills for errors like duplicate charges. Finally, you could turn to crowdfunding sites like YouCaring to crowd-source money for high medical costs."

The next nationwide open enrollment period for Affordable Care Act policies runs Nov. 1 to Dec. 7. The tax penalties for being uninsured during 2015 are higher than they were in 2014, when the penalty for not having insurance was either $95 or 1 percent of your annual income, whichever was greater. In 2015, that penalty skyrockets to the greater of $325 an adult, and $162.50 a child or 2 percent of household income.