

ILLINOIS STATE MEDICAL SOCIETY

**Resolution 08.2021-06
(A-22)**

Introduced by: Harry Goldin, MD, ISMS Member

Subject: To Require Insurance Companies Make the “Coverage Year” and the “Deductible Year” Simultaneous for Their Policies

Referred to: Council on Economics

1 Whereas, health care insurance is expensive, and consumers pay high deductibles
2 for their medical care; and

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4 Whereas, when a consumer pays his/her deductible, he/she expects the deductible
5 to cover the remainder of the coverage year; and

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7 Whereas, health insurance companies count the “coverage year” from the date
8 the policy becomes effective and the “deductible year” from January 1 of each year; and

9
10 Whereas, a consumer whose policy begins mid-calendar year, and who pays the
11 full deductible for care before January 1 when the new “deductible year” begins, that
12 consumer is not receiving a full year of benefit for the full deductible he/she paid; and

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14 Whereas, the consumer also does not get the full year of benefit from deductibles
15 paid in the last year of coverage; and

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17 Whereas, insurance companies have sophisticated computer systems to track the
18 “deductible year” and the “coverage year” for each consumer; and

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20 Whereas, the insurance companies employ this non-transparent, underhanded
21 scheme to increase their income at the expense of the consumer, therefore, be it

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23 RESOLVED, that the Illinois State Medical Society condemn this practice and
24 work to legislate that the “deductible year” and the “coverage year” be the same period
25 of time for all insurance policies in Illinois; and be it further

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27 RESOLVED, that the Illinois State Medical Society work with the American
28 Medical Association to ensure that the “deductible year” and the “coverage year” be the
29 same period of time for all insurance policies in the United States.

Fiscal Note:

n/a

Existing ISMS policy related to this issue:

ISMS supports the following health care system reform principles: 1. Health care delivery and finance system reform should use the current public-private system as a basis and focus on incremental evolutionary change. 2. All patients should have access to a health benefit plan that would include catastrophic coverage as well as preventive services, appropriate screening, primary care, immunizations, and prescription drug coverage. 3. Health insurance reform is needed to allow public and private plans to develop innovative coverage plans, including the development of health savings accounts and other high deductible plans to encourage patients, physicians, and other health care providers to pursue high value care. 4. All health care expenditures should receive equal treatment for purposes of tax deduction and tax credits. 5. Professional liability reform – including caps on noneconomic damages – should continue to be pursued and defended as a way to reduce direct and indirect costs (defensive medicine) and to address the adverse effect the current medical liability system has on the physician-patient relationship and access to health care. 6. Use of information technology in health care delivery should be encouraged to improve quality and safety of care, enhance efficiency, and control costs. 7. Health care education and literacy must be an important part of any medical care financing and delivery system reform. 8. Health care reform proposals should include provisions for physicians to set and negotiate their own fees in order to adequately compensate physicians and other health care providers for the promotion of personal and public health. 9. Evidence-based protocols should support, not replace the patient-physician relationship. 10. ISMS objects to third party insurance carriers interfering with the practice of medicine and the patient-physician relationship. (HOD 2007; Revised 2008; Reaffirmed 2011; Reaffirmed 2012; Reaffirmed 2015-JAN; Reaffirmed 2017; Reaffirmed 2018; Reaffirmed 2019; Last BOT Review 2015)