Filling the Health Insurance Gap with Mike Neighbours and Bob Nunn

Full Episode Transcript

With Your Host

Laura Lynch

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It takes a brave and independent mindset to go tiny. If you are trying to figure out your tiny pivot, this podcast is here to inspire and connect you with the other unconventional, gritty, inspirational people within this community.

I'm Laura Lynch, your tiny house friend and host. On this show, we are always going to come back to money because, as a financial planner, this is the question I hear the most: How do I make this work for me financially?

Well, that's my jam. So jump in, let's go. New episodes drop every Thursday.

Laura Lynch: Well, Mike Neighbors and Bob Nunn. Thank you so much for joining Less House, More Moola podcast. I'm super excited to have you here today. This is a hot, hot topic that I have had so many questions about. And that is what to do about the health insurance gap between an employer plan, if you ever had one, and Medicare.

So many listeners that use a tiny house or an RV, they travel and they sometimes do non-corporate types of work. Therefore, their health insurance doesn't necessarily fit nicely inside the traditional box. So as you are both full-time RVers and you work as independent health insurance consultants, you know all about this. So thanks so much for joining me today. Bob, would you introduce yourself and share your story of moving into an RV full-time?

Bob Nunn: Sure, my name is Bob Nunn. I'm from Florida, Cocoa Beach. I had a seafood company for many years selling seafood up and down the east coast of Florida. And after 35 years of 100-hour work weeks, my wife and I decided to sell everything and start the RV life.

And then I fell into, met our mutual boss, Colleen Elkins, and just fell in love with the RV lifestyle and helping people get to answer to this problem that we're talking about today: healthcare across the nation. So I'm excited to be here.

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Laura Lynch: Awesome, Bob. And Mike, would you please introduce yourself? You've been doing the full-time RV thing for a while. Share with us why this lifestyle appeals to you.

Mike Neighbors: Awesome. Thanks, Laura. We have been, as you said, my wife and I have been full-time RVers for 14 years. We started by accident and thought we'd try it for a year or two, and see what it turned into. We got caught up in the financial meltdown in 2008 and looked at what options and alternatives might be, found the RV lifestyle, and absolutely fell in love with it.

The big thing about it, among the big things about it, is: you can change your scenery every day. If you like deserts, you can be there. If you like mountains, you can be there. If you live in a sticks and bricks someplace, the only view that changes every day is whether it's a UPS truck or a FedEx truck that goes by your front window. My view changes, from a lake to a river to the mountains, to whatever I want it to be, and the people that go with it. You're meeting new people constantly, and it's just a phenomenal lifestyle.

Laura Lynch: Awesome. Yeah, I think that sense of exploration is something that definitely resonates with me. As I mentioned to you earlier, I was once upon a time in the Air Force, and you move around every few years in the military, and that means you get bored easily. So I definitely understand why that change of scenery is so valuable. So I thought that today - to talk about this really important health insurance topic - we would walk through a couple of case studies of sort of, maybe classic type situations where people find themselves in need of health insurance options.

And since you are both currently nomadic and working in this space, I'm just delighted that you bring your expertise today. So, Mike, I'm going to start with you. Let's talk about how you guide someone who is say around 60 years old. They have a few years left before Medicare. They recently left their corporate employer and health plan, and they're planning to create an early retirement lifestyle of travel around the country. What are some options for this person?

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Mike Neighbors: Great question. The first thing that people learn, when they get exposed to life after corporate, is that it is completely different. The rules that you played by when you were under corporate health care are completely different when you're out on your own and shopping and responsible for your own health care.

There are some viable options, and they're better in some cases and worse in some cases, and I'll just kind of walk through from an overall standpoint what's out there. To start with, if you're just being downsized from a company, your company has a legal obligation to offer you COBRA. COBRA in and of itself is not insurance.

It's a law that says the employer has to offer it. COBRA typically is the same coverage you enjoyed under your corporate plan. That's the upside. The downside is that it is probably the single most expensive way to get health insurance that there is. But it's certainly an option and one not to be denied.

The next thing on the list would be using the exchange, referred to as Obamacare or ACA or the exchange, depending on who's leading the discussion. That's typically good for somebody who doesn't travel, is more stationary in one place, and you can see the same health care providers all the time. It is less desirable for somebody who is nomadic, because it only provides for emergency care. And they get to define when the emergency starts and stops and we can have a separate discussion about that.

The real upside if you're in any kind of health situation, where you're a diabetic on insulin, you have a history of cancer stroke, heart attack, any bad preexisting conditions an ACA plan or exchange plan may be your only option because most other plans are going to have an underwriting criteria that you have to qualify for.

The other things that are out there could be a short-term plan, which by definition is a short term. You buy it for 60, 90 days, 120 days. There are some specific places and areas where that's good. If you're within 90 days of Medicare, it may be a good option for you. There are some limitations. If you reach the end of the time frame that you bought it for, they don't have to renew it again for you.

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You've got some risk when you do that. The next item that, they're the next type of insurance out there you could run into are these “ministry share” plans. Some of them are good. most of them are questionable. The risk to them is, well, there's an upside. The upside is they're usually very reasonable from a cost standpoint.

The downside is they are not insurance, therefore they are not regulated at state level. If they want to don't want to pay a claim, they don't have to pay a claim. The next option available and the most favorable one for people that travel a lot is what's called an indemnity plan. An indemnity plan, by definition, is strictly a financial arrangement that helps you with your health care costs.

It doesn't try to manage your health care, doesn't tie you to a network, doesn't tell you you have to see this doctor, doesn't tell you you have to have a referral for a mammogram or whatever else it might be, gives you complete freedom to see any doctor any place in the country as you travel. In practice, that's what we found to be the best solution for most of our viewers. It's very cost-effective, the premiums tend to be about a third less than what other types of insurance are. The downside is you've got to be able to qualify for it from a health standpoint. And if you have any one of the bad things that we talked about earlier - cancer, stroke, heart attack, obesity, any of the real bad things - you're probably not going to be able to get this.

So then we've got to look at other options. and the thing I'll end with here for a second is that being a full-service health insurance agency, and the experience we have dealing with the mobile community, we have a broad range of companies available. We have a broad range of different coverages available. We have a broad range of levels of coverage available, and we can tailor whatever you need to what your individual needs are.

Laura Lynch: Yeah, that's excellent. Thanks for that overview. So it sounds like one of the major things to think about for someone who is in pre-retiree age is about location, whether you're stationary or whether you're traveling - which in this case, we're really focused on traveling because that's the catch for most people - and then to the health condition situation.

And so would that be, I mean, we've all had something crop up, right? At some point in our life. Like how far back are we talking for a health condition? If it was just in the last year or so, are we talking about if you've ever had something, kind of significant in your health history?

Mike Neighbors: With most companies and the ones that we represent and use the most frequently, there's a different period of lookback for different kinds of conditions. If you've got a preexisting heart condition, they're going to go back at least ten years and see where it all started and what caused it, et cetera, et cetera. Cancer is typically a five year look back. You could have had breast cancer six years ago and from an insurance standpoint today, could be like it never happened, depending on what the company standards are.

So there are some avenues that are open to you there. and there are some things that show up health-wise that are really interesting that you may not think of as being disqualified. One of the big ones is rheumatoid arthritis, because rheumatoid arthritis is an autoimmune disease.

It is considered a very serious preexisting condition, so that may preclude you from being able to get some kind of coverages. On the other hand, a broken arm two years ago isn't going to slow you down or stop you.

Laura Lynch: Great. So, it sounds like that ACA - to reiterate what you were saying earlier - the Affordable Care Act, Obamacare, the exchange, whatever you might want to call it, is really only a good option if you're sitting still because of that geographic boundary around your care. You want to talk a little bit more about why that is?

Mike Neighbors: Yeah, by law, any plan through the ACA has to cover you for emergencies, no matter where you are in the country. But the irony is they get to define what the emergency is, when it's an emergency, and when it stops and starts. The classic example of that - and we've had some firsthand knowledge of it in our agency - and that is: you're traveling, you're based in New Mexico, where your place is, Laura, and you're traveling in Alabama, and you have a heart attack. They rush you to the hospital, put you in the

emergency room and get you stabilized and you're going to live and they transfer you to the hospital.

When they take you out of the emergency room and you could move across the hall to a hospital room. The minute you leave the emergency room, the emergency is over. And you could be on the hook for all expenses past that if they don't have out-of-network coverage, which is likely impossible. You're going to be on the hook for all the bills, if not a large part of them. So that's kind of the downside for travelers with an ACA. You've got a skeleton of coverage there, but it doesn't cover all the bases.

Laura Lynch: Yeah. And so that is because - and not to get too far, not for me to take us too far into the weeds here - but that's because most states on their plans that they offer on the exchange are health maintenance organizations, HMOs, meaning that you have to operate within the referral network or the network that's in, and it's a state-based plan. Is that right?

Mike Neighbors: You've actually done more homework than most people have. Yeah, and it doesn't have to be - I don't want to expand on that for just today - it does not have to necessarily be state-based. It's regulated at state level, but we have seen HMOs. I've got one in Houston, for example, downtown Houston, it's an HMO that is sponsored by a local hospital.

And the HMO service area is a three-block radius around that hospital. So once you leave that three-block area, you're out of network, right? To start with.

Bob Nunn: That's the same with the villages.

Mike Neighbors: Yeah, same thing. My client wanted to move to a suburb for the lifestyle in the suburbs and had to actually change HMO plans when he moved 35 miles away.

Laura Lynch: Wow.

Mike Neighbors: So that's kind of the downside to an HMO.

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Laura Lynch: And why this comes as such a shock to us is that in our employer plan, we always had PPOs, preferred provider networks that had a much larger network and potentially nationwide network. Is that right?

Mike Neighbors: Absolutely true. And there are, on the individual market, there are very few PPOs available. One of the reasons we like the indemnity plan as much as we do for people that travel is that it is a legitimate nationwide PPO. It has no boundaries other than the geographic boundaries of the United States.

Laura Lynch: Yeah. And so, I know from our earlier conversation that there is one particular state that does have a PPO on the Affordable Care Act that, if you are able to domicile in that state, then you have a nationwide network. Do you want to talk specifically about Florida for Florida listeners?

Mike Neighbors: I'm going to let Bob expand on that just a little bit. Florida is unique. It's a good domicile state, but it's very hard to be a domicile there because they do have residential residency requirements as part of that. But the Blue Cross, Blue Shield does have one plan in Florida that travels very, very well, and Bob will get into that when he jumps in.

The interesting irony of Florida is the particular company that offers this plan. You have to be a Florida resident agent to be able to sell that plan and to enroll people in it. We're fortunate to have Bob as part of our organization because he's a Florida resident. I'm a Tennessee resident, which has its own differentiations. And so we try to, we've got all the bases covered around on the country because of that kind of situation.

Laura Lynch: Awesome. Bob, do you want to expand on the Florida PPO a little bit at this point?

Bob Nunn: Yeah, it's really important when we talk to clients to ask questions. These questions are vital. Because that plan is called a Silver Options plan, Silver Options. You'll click if you go in to the quote engines and you have to type in the PPO and the client. Now, those Silver Options are good because it gives that one thing: it gives portability.

The negative side of that is if you don't have a subsidy, they're very, very expensive. So you could easily spend $2,500, $3,000 a month if you don't have a subsidy. So, this is a small window and advised only for people who want to travel that have serious health concerns, but it is an option because they do affiliate with Blue Cross, Blue Shield doctors and providers all over the country.

Florida Blue does, it's called a Blue network. So it is good, but also you really need a health care professional when you're doing this because you have to look at the second page about balance billing about this network. So it's important for the people to get all the information and not just look at the premium. The premium is just like a hook, and we don't want the fish to get on the hook when they don't want to be.

Laura Lynch: Yeah. Awesome. So let's go back to talk about the nomadic lifestyle and you all have in your business created a very, or cultivated a specific solution, the indemnity plan being often a good fit.

So Mike, tell us about the nomadic part of the lifestyle and a little bit more about how the indemnity works well for that pre-retiree person who's doing that traveling.

Mike Neighbors: Great question. And let me just digress for just a second here because part of the reason we got into this - and Bob was the same way - was we found the lifestyle first and then this business found us as a result of as a result of living that lifestyle.

The biggest concern that older people have coming into retirement a little bit earlier before they qualify for Medicare is that Medicare solves a lot of problems, but you have to get there. And so you've got this gap that you've got to fill, which we do with the indemnity plan. And in essence, it gives you a bridge to Medicare because it works very similar.

You can see any doctor, any place with Medicare. If you set it up right, you can see any Medicare provider any place in the country. So you've got that going in and when you get to Medicare, Medicare has to take it. No matter

what your health situation is, you get a free pass right when you age in, with no health questions asked.

The funny example I use is: you could be laying on a gurney in the hospital, having a heart attack, and they would have to issue a policy for you and get you covered. But you need to get there. And what this indemnity plan is, it gives you a couple of things. It's a monthly premium which most health insurance is, but it's guaranteed renewable until you reach Medicare age, and it can't be taken away from you for any health issues and your premiums can't be raised for any health issues.

And without that premium being raised for everybody your same age and most insurance companies aren't going to do that. So, if you're 58 and you're forced to retire, which incidentally is what I went through in 2008 when the big meltdown happened, you need to look at this as something to get you to Medicare.

Because when you get to Medicare, and you set it up right - and we help you do that because you can make some mistakes going into Medicare that will haunt you for the rest of your life - but if you set it up right, it will make you as bulletproof from a health insurance standpoint, as you could ever hope to be. And that's kind of where we fill in for people that are kind of forced into that situation.

Laura Lynch: So, the indemnity plan, when we define indemnity, it means reimbursement, right?

Mike Neighbors: Great question, and I hadn't thought about an answer to that. So I'm glad you brought it up. One of the things we like about this plan is it gives you the user the flexibility to use it how you need to. You can, in an ideal world, you're going to look at “What's my best financial outcome?” After you look at my best health outcome, which is number one priority, number two, what's my best financial outcome? Sometimes you're better off telling a provider that you're self-insured. You're going to pay your own bills, because the indemnity plan is going to pay you the same, whether you pay it to the hospital or whether you pay it to yourself.

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So it puts you in control of what could be your best financial outcome. None of the other plans out there do that. Most of them if not all of them, will say the insurance company is going to pay first, and then you're going to pay after the insurance company does.

What we say is this insurance company is going to pay you, either way, whether it's first or you pay and you get it afterwards. It's up to you what is in your best interest on how you use it, which also means that you don't have to worry about the provider that you're seeing being in-network or out-of-network. You have the complete choice of who you want to see and how you want to be paid for that.

Laura Lynch: And what about prescription coverage?

Mike Neighbors: Ah, another great question. One of the big holes in health care in this country is prescription coverage outside of group insurance. Group insurance has really good prescription coverage, largely, and ACA plans largely do. There are exceptions to that, but a lot of them do.

Once you get outside the ACA realm, there's not much out there other than - we've seen a new generation of prescription discount plans that we encourage and use ourselves. People like GoodRx, you might be familiar with. There's Healthsaver, which we use. There's GoodRx. There's one called Drexi.

And you'll find when you ask pharmacies about this, you'll find the discount structure is phenomenal. The area that you're going to find the biggest issue is with some of the more exotic maintenance kind of drugs, like the Osempex, like the Xeralta's - things that control heart conditions that are very expensive.

Their injections, they could be $1,000, $1,500 a month. The right ACA plan is probably the only solution if you are on one of those, you can talk to the drug companies and most of them will offer you some kind of solutions. But from an overall standpoint, that's an area that still needs some work from an overall standpoint.

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Laura Lynch: It sounds like that to be on an indemnity plan, you have to be a little bit more in control of your health care and any of us that have come out of corporate or any other health care arrangement, like the VA, I have experience with, right? We're used to sort of, you've got the card, you walk in, you're taking care of, the insurance is going to be billed.

And it sounds like that when you're in an indemnity plan, you have to be a little bit more in charge of your health care - and on top of kind of where are the best places and maybe shop around for more sort of schedulable things and that sort of thing. I think my question is, do you find - well, this is a separate question.

Do you find any challenges with access in this situation, like I know every time I go see a new doctor, the first thing they want to know, right? Is tell us about your health insurance, almost sounding like if you don't have it, you're going to get some different level of service or some. We don't really want to talk to you if we don't have an insurance company to bill. So is anybody running into any access issues being that there is, I think, somewhat of a shortage in care in some places?

Mike Neighbors: There's a two-part answer to that. The answer is yes and no, because - and it's not only an indemnity plan, it's any individual insurance. Once you get out of the group environment, you have to be a lot more proactive and either knowing where your coverage is, or what's covered and what isn't covered, or you can get into some hidden costs that you didn't enter.

Like example, you're in the hospital and have an operation and they may bring in an anesthesiologist who is out of network. You're going to get a surprise bill for that anesthesiologist. With an indemnity plan, you're going to ask going in, what's your daily hospital rate? Is your anesthesiologist in network? Because it doesn't matter in the long run, because you're going to get reimbursed either way, but it may matter to where you want that coverage to be. If you're in California, for example, Kaiser is very dominant in California.

Well, Kaiser is a closed HMO. And if you're not a Kaiser person or Kaiser contractee, whatever term you want to use for it, that's not a good fit for you. Because they may take care of you in an emergency, but then they're going to take you over, or send you to the next person down the line. So access from that standpoint is not much more limited if any with an indemnity plan than it is with insurance in general once you get outside the group world.

And the biggest thing that we find with people is that they really are surprised by the difference that they see when they get out of the group environment. We've all been used to, and I came out of the corporate environment as well, and I had my United Healthcare card.

And I'd walk into the big building downtown and hand him my card and say, “I'm sick, fix me”. Once you get out of the group, that doesn't work so well. And so you've got to do a little more homework yourself to find the right fit. And if it's not an emergency situation, you also want to find the most cost-effective solution and kind of all the little pieces come together. But in reality, the indemnity plan is no more complicated than whatever else you might be exposed to once you're outside the group realm.

Laura Lynch: Gotcha.

Bob Nunn: Well, how I wanted to tag into that is I was just talking to a lady from Washington State, and she wanted to say, I want a PPO. A primary care physician.

I said, well, you have to break out of that norm. Just like the alternative lifestyle that we've all chosen is that you cannot have Dr. Johnson see you every three months if you're not in Washington, you're in Arizona, or you're in New Mexico, or you're in Massachusetts. So you have to understand that the whole concept of this lifestyle is change.

So, just like there's a different way to do it, you have to learn. We're here to help you, but you cannot have a primary care physician see you every 3 months if you're 3,000 miles away from that person. The good thing is that you can get a primary care physician wherever you are in America.

So, it's just breaking mindsets. The other thing is that our company rewards you for shopping, because if you get an excess benefit, that's given back to the client, which is unheard of in regular. Have you ever gotten a check in your corporate? No, of course - so that is so unique is that my wife got a colonoscopy and she got $2,900 back from our company because of excess benefit. So, it's just a different mindset.

Laura Lynch: Well, thanks for bringing that in, Bob. I appreciate that perspective for sure. When we change lifestyles, everything else changes as well. And so we have to kind of be prepared for that. So, we're going to go to a new sort of case study client and Bob, these questions are for you.

I wanted to talk about someone who's a little bit younger. So someone may be in their thirties or forties, who is taking a break maybe from their corporate life or they're on sabbatical - or maybe they've decided that they don't want to keep climbing the corporate ladder, or maybe they were never on the corporate ladder and they just want to do something different with their life.

And they've converted a schoolie into, or convert a bus into a schoolie, or maybe they're doing van life or what have you. So they too are out on the road. And so they're really mostly concerned about catastrophic events, right? Their health is probably pretty good.

They probably have a pretty healthy type lifestyle. But at the same time, we all need to go for our checkups, and every once in a while you have a reason to go to the doctor. So what are the options for this person?

Bob Nunn: Well, I would still say the indemnity plan. When you think about those people, COVID has allowed people to realize that they can do their job remotely.

So there are many, many people that are doing this lifestyle because they can work remotely. A lot of those people in their 30s and 40s. The good thing about the indemnity plan is that it's very affordable. Many times you see premiums at the $200 or $300 a month range, which is excellent. So you can get the indemnity plan and for a minuscule amount, you can tag on a specified disease, which is a catastrophic plan. So, for $200 or $300 for

premium, maybe even for a full family - if they're in their 30s, they could probably get a full family plan somewhere in the $200 range, and that is with a catastrophic occurrence. That will escalate as they age, of course, but the indemnity plan is very, very affordable to the 20, 30 and 40 year olds.

So that's what I would recommend, you know. Regular scheduled checkups, the occasional hospital visit for cuts or something, like flu, but then also you're still covered because they're young, that specified disease premium is very affordable. So, if for some, God forbid reason that they get a heart attack or stroke, or some kind of thing, they're still covered.

So that's really the target for us, is healthy people in their 30s and 40s is a perfect plan. The indemnity plan is perfect for them.

Laura Lynch: And so they just like we talked about before, maybe ACA isn't the best fit because of the being on the road element.

Bob Nunn: On that, I would not recommend the ACA plan to a healthy 30- or 40-year-old person, because, it's not going to be covered. And second, a $9,000 dollar deductible, which usually if, like I said, a $300 premium times 12 is what? $3,600. So, this makes no sense from a financial standpoint when you're not getting coverage and you have a high premium. I don't even know what the premium would be, unless their finances or they get subsidized. But there's no way on a piece, if you do the math, that the ACA plan works for a nomad that's healthy. It only works for somebody that's sick, the ACA plan.

Laura Lynch: And so when you say, it doesn't work because they're not covered. Are you talking about subsidies?

Bob Nunn: No, I'm talking about - let's use your example. You're from New Mexico. You get a plan in New Mexico, but now you're visiting people in Alabama.

You're not covered in Alabama. Now you're covered for an emergency, but like Mike said in the previous segment, is that until it's not an emergency. So

then you're going to have to get back to New Mexico on your own dime to recover from your heart attack or your stroke or whatever you had.

So it doesn't make any sense that you would have to circle back to your home state to get health care. Now, if that's part of your nomadic life, then it could maybe work. But what is the cost to get back from where you are to your life to where your home base is? So for a lot of reasons, you really have to think: it's just not the premium. It's everything that goes with the premium that you have to look at.

Laura Lynch: Yeah, good. So let's talk about what happens for folks in that age bracket when they have income changes and how that impacts the decision-making here. So we've got folks that are taking a sabbatical. So maybe they were making a good, maybe they had a good tech job or a good whatever job, and then they decided to take a sabbatical.

And so their income goes from very high to nothing. And then they come back from sabbatical back to the tech job or starting some side hustle or whatever. So we're seeing income changes significantly along the lines. So talk about how income changes really affect the calculus when you're trying to determine what is the best insurance.

Bob Nunn: So at first glance, when you look at it and you're trying to research it, you'll see the ACA plan. You go, wow, I can get a plan for my family for $200 or $150 or nothing. Let's do that. And then you start your side hustle and let's say you are making $10,000 a year, you don't have any income. And then all of a sudden, at the end of the year, you made $30,000 or $40,000, you will be penalized.

They, you will have to prove that through on your tax return, and then you'll be made to pay back those subsidy premiums. And it could be very large. You could have a $2,000 a month ACA plan that's discounted to $125 or $200 that you would be responsible for. So that is something to really consider when you're thinking about that.

Laura Lynch: Yeah. And so let's talk about a little bit more detail on the indemnity plan in practice. When you go to the doctor, one thing that - I get

sick every couple of years and I'm like a pretty holistic person, but there are certain things that crop up. And I'm like, I'm going to go to a doctor.

Maybe it's an urgent care, right? Because it's something simple that happens in my life from time to time. And I show up there - how do I deal with my indemnity plan in that case where it's, sort of an urgent care or-

Bob Nunn: It's funny. I liked it. Sometimes my clients, I've had someone fall, break their wrist - and instead of calling the doctor, they called me and said, what should I do? So I thought that was pretty good. So the first, you never get a five-figure bill at an urgent care, but you could get a five-digit bill at the emergency room. So, you want to identify what exactly you have to do. As far as you getting sick, the beautiful thing that we have is telehealth.

So, that would be my first go-to for like - maybe you get a cold or some kind of infection urinary tract infection. So, something that's not going to be life-threatening, but it's something that happens on a recurrence - you could telehealth and they could send you a script that you could get anywhere in the country.

Next is that while you're having your coffee or green tea or something, wherever you are, you just go online. You type in the zip code to the indemnity plan. We give you a site to go there and you can find out all of the urgent cares in your area that are going to give a discount. So, that's what I recommend my clients to do is that if you're stationary for more than a couple of weeks, find out where the urgent care is in case something happens, find out the hospital that's near you.

So, you can say when they're taking you, “Take me to St. Agnes.” You want to make sure you can because there's just a financial benefit to do that. But if you go to the urgent care, you'll be covered. And so that is the beauty of the indemnity plan is that you can go anywhere. We have a million providers over the course of the country.

And so you could pretty much assured to get it. And even if not, you can go to the cash discount program anywhere. So if you find yourself in Wyoming

or South Dakota or somewhere that it's sparse, you can still go to an urgent care and pay, and get the fixed benefit.

Laura Lynch: Yeah, thanks. So that million providers are the ones that are providing a discount based on the network inside of the indemnity plan. And then if you go to someone who's not on the list, how does that work?

Bob Nunn: If you go to someone who is not on the list, the first thing I say, I'm a self-payer. I want to pay cash. You should get a discount. You have to negotiate a discount. A change of mindset, like I said before, is that before we just handed the card. I know my deductible is $6,000, $4,000, $3,000. now I'm saying, no, I have to negotiate my price. Because we all know, like, if you go to a hotel, there's a reservation price, a special price, and if you walk up and say, can I get a room?

So it's the same thing with the doctor. You have to negotiate a price when you go in there. If you can, there's sometimes where you could be in a situation. If you're in a coma or something, and you're coming there and you can't do it, you just got to do what you can do and call me. You want to call me after you're awake and so I can help you, because we have a company that will help us negotiate price down for our provider to our clients. So it's always just ask the questions.

Laura Lynch: Yeah, I think that's an important point because most of us didn't go to school for negotiating our healthcare pricing, and we've never practiced it because we've never had to. We understood that the network provided a reduced rate, or at least we were under the assumption that our network pricing, the pricing they give the insurance carrier, is less than they give to the regular person. But it sounds like what you're saying that is that a cash price may actually be the lowest price available?

Bob Nunn: I believe that. But see, when you bought your tiny home, you didn't pay MSRP, or when you bought your car, or when you go to the store, how much fun is it to get the piece of clothing that you want at a sale? It's 50% off, it's buy 1, get 1 free.

That is the same thing that you have to do with your health care. You have to negotiate price and we're here to help you. We have a price tool that you can go in and you can find out what the average price in the county that you're at, what's the average price of what you'd want to get done.

So, going in, if the average price is like $300 and that guy's telling you it's $1,200, something's wrong with that.

Laura Lynch: So let's talk a little bit about, Mike mentioned earlier, that you all will help someone transition right from pre-retirement or, pre-Medicare over to Medicare.

How do clients that are in their more middle age protect themselves from health changes that are either a slow progression or a sudden event? We've talked about some catastrophic and some specified disease. It sounds like there's some layering that takes place there because certainly none of us think that we're going to, none of us think that we're going to get cancer, tomorrow, but yet that does happen for folks, at younger and younger ages. So let's talk just one more time about how we protect ourselves from health changes.

Bob Nunn: Mike, tell us the story. I tell it occasionally about one of our workmates that was 32 years old and got a birth defect, a heart valve. And he was in the hospital for quite a long time and had a huge bill. So who would ever think that? And I believe he tells the story that he didn't want to pay the $90 premium for specified disease. He ended up getting something like, what Mike, $27,000?

Mike Neighbors: $27,000, quarter of a million dollars worth of bills got paid and then he got $27,000.

Bob Nunn: For $90 a month, it was called spent - we call it bundling. And what happens is that we take the great indemnity plan that works all over the country and it's a fixed indemnity plan and we take it with a specified disease plan. That’s when it's - I don't want to get too far in the weeds, but it's called a claims threshold.

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And so what that means is that you have a big bill because of the incident and the indemnity plan is now paying the bills. When the bills get to $50,000, $25,000, $50,000, $75,000, whatever you choose, then our plan comes in with $250,000 or $500,000 and pays everything that's reasonable and customary. Well, how powerful is that?

We're paying first and when our bills get to - we're paying your bills, and when our bills get to $50,000, another $250,000 comes in to wipe all the bills off. And so that's why we like to connect the to the indemnity plan with the specified disease plan. So, in case of a catastrophic event, it's covered. And on top of it, people from 25 to 50, that premium is dirt cheap.

I mean, really dirt cheap. I've seen them for like $30, for $50 for 30 year olds. It's really just incredible. Even 40 year olds, it's maybe $100. So it's really worth $1,200 a year or so to say, “If I have something catastrophic, I know that I'm going to be taken care of. I'm just not going to financially ruin me.”

That's the whole part of this, is the risk management. And so you're on the road, you're experiencing new things. This is just a different way to look at health care. You have to change, just like our alternative lifestyle. It's an alternative health care. And it's, I believe, the best value in America. I really do, especially for the 30- or 40-year-old.

Laura Lynch: So if someone in this age bracket or really any age bracket, changes their employment, right? So they are on the road for a while and then they are lucky enough to get themselves a really nice gig that actually provides health insurance for, while they continue to travel, or maybe they quit traveling and settle down.

What happens with this indemnity plan and what are the hooks to start and stop?

Bob Nunn: So what I like to do when someone tells me that I said, okay, let's sit down and talk about it, get our little pad out and say, okay, what is the cost for you? And so a lot of times when you go corporate, the employee is covered nicely.

But the spouse and dependents are not. And so I said, maybe what we can look at, let's look at what's it going to cost for the employee and then I can write a separate plan for the spouse and the children that might be way more affordable than what it is for the employee and of the employer. So, that's what we like to do.

I like to look at that. And if it doesn't work out, then they go back to the employee and it's just a basic email to me. Or email to the agent and we can cancel it at any time. You can start and stop this program at any time. The only hook with that is that there's no preexisting conditions covered for a year.

So if you start and stop it, that clock starts over again. That's really the only negative I see. But if you're healthy, it doesn't really matter. The real thing is that you have to analyze, “If I don't put my, my wife or my husband and children on the program, how much is it going to cost?” Usually, employee employer health care is very good for the employee, but not so good for the spouse.

Laura Lynch: For the family. Yeah.

Mike Neighbors: Yes. Let me expand, take that to one more level. And that is we have a number of clients that have regular traveling jobs. Nurses is the first one that comes to mind. I have several clients that are travel nurses and they typically do a 3-6-8-9 month gig, and sometimes they get insurance and sometimes they don't.

And if the gig gives them insurance, then the next gig doesn't. They've got a gap to fill, or the next gig gives them insurance to it through a different company, a different kind of plan. So what they're finding is they're better served by not taking the insurance along that comes along with their dig, taking the cash offset, which most of the gig employees or players will offer, and then supplying their own insurance that they don't have to get in and out of, depending on where they are and what they're doing.

Laura Lynch: Yeah.

Bob Nunn: That's a great question. I mean, great answer. I just had that happen a month ago where a client canceled on me. And then three months later, she says, “Bob, I want to renew because the insurance is so much better than what they're doing. And they'll give me the incentive. I can actually pay for the premium and still have a little money left over.” So that's a real-world thing that happens all the time.

Laura Lynch: Yeah. Yeah. The traveling nurse community is really an interesting, sort of niche focus. I love those folks, especially some are in van life. Some of them are towing tiny houses around there. They're out there working it.

So it sounds like that you all definitely have the solution for anybody who's on the road, no matter what their age bracket. I think that was a great sort of exploration of those two different kinds of case study examples. So Mike, as we start to wrap up, are there any key tips that you have for pre-retirees that you think are important to share today that haven't already been covered?

Mike Neighbors: Yeah, just a couple, just in passing: when you get close to Medicare, it's really important that you utilize the services of some advisor, be it us or somebody in another capacity, because when you age into Medicare, some things happen automatic, some things don't, but you need somebody to kind of walk you through the process because you could make one or two mistakes that you will pay a penalty for the rest of your life.

I have one client right now, and I'll just use that as an example, that decided they didn't need a drug plan. So they didn't take a drug plan when they were 65 - they are now 82 years old, and he needs some fairly expensive drugs. The premium that has followed them for 17 years is now $62 a month, which is more than what their drug plan is.

So there's that trap that you can fall into. And there's the same thing with the Medicare premiums that, if you don't sign up when Medicare tells you you need to sign up, there's a premium penalty for that that will follow you forever. So you really need to have somebody right from the get-go, that'll steer you the right direction.

And I'll close that by saying that just remember that the Medicare and You handbook is 126 pages long, and they expect you to know and understand that. That tells you something.

Laura Lynch: Yeah. Those great government publications are so user-friendly.

Mike Neighbors: Yes.

Laura Lynch: So Bob, the insurance industry is super full of change. I myself got a short-term plan as I mentioned to you all before, when I quit my corporate job and started my own business, and recently I've gotten this sort of alert that maybe short-term plans are going to get shortened even further and deductibles are going to turn over every three months and it is ripe with change, insurance is.

So is there anything going on that we should kind of watch out for in terms of health insurance coverage in the future, anything that you're telling people to keep an eye on right now?

Bob Nunn: Well, who knows about what's going to pass or not, but they're saying something. They're going to close that gap of short-term to three months.

If that happens, that is significant. Because I was just on the phone before I got on this podcast about a lady that's really seriously ill that is on COBRA. She goes off COBRA, she's in a big world of hurt. And so this has consequences. People have to understand - and the most I think, the most important thing when we talk to folks, we really analyze their situation and say, like my dad used to say, there's consequences.

There's intent. There's consequences for everything. What are the unintended consequences of my actions? And so we have to find out from the client where they want to, what they want to do, where they want to go, how they want to live, how they want to travel, how long they want to travel, what kind of thing is there, what kind of house they're traveling in - and all those decisions really make a, what's their health, like their age.

All of that is necessary for us to give them good advice and that's all we are. Mike and I are not salespeople. We're advisors. We're not selling a plan. We're trying to help you. We're advocates. And so to get the full information from people is vital. And I think when that happens. they just need to know and to try to navigate it by themselves is usually going to be a bad outcome.

Laura Lynch: Yeah. Just navigating insurance website options can be overwhelming. So thank goodness that there are folks like you all that can help sort of narrow the field. So Mike, would you please, share with us the name of the company? Cause I don't think it's even been mentioned yet, that you all represent and how people can get in touch with you.

Mike Neighbors: We are a full-service health insurance agency. Our name is RV Insurance Benefits. We're very active with the RV community. We're tied into not only podcasts like this, but to a lot of websites that we're the clearinghouse for RV Life, for example, for their health insurance inquiries.

The big thing is that we have available every kind of insurance that you're going to need from a health standpoint. We have the indemnity plans. We have the ACA plans. We have short term. One little item that people don't even think about until after they get there is we offer international travel insurance.

If you're going to Europe for 6 months, there are ways to cover you while you're there because your U. S. based insurance isn't going to do that. But if you don't know that you don't know that you need it, you don't know how to access it. And that to me is the essence of the service that we provide, is giving you access to all those little ins and outs, dental insurance, vision insurance, whatever it might be. If it's health insurance related, we'll either have an answer or be able to find one for you and steer you in the right direction.

Laura Lynch: Awesome. We'll make sure that website is linked. And so folks are going to try to get in touch with you, they should do it through the website?

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Mike Neighbors: That's probably the easiest. The website will give you our personal contact information. It'll give you direct cell phone numbers. It'll give you an office exchange number.

It'll give you email addresses, everything that you need. So the website again is rvinsurancebenefits.com. And you'll see a list of all of us on that website. We'll get to the answers that you need. There are several of us that are part of the agency. And so we're all in this together.

Laura Lynch: Awesome. And Bob, any final thoughts from you?

Bob Nunn: Just that we love this lifestyle. We love the people that we meet. The best thing is the community and the experiences. And so if we can help anybody, we just love that. It's a win-win for us. We get to meet great people and we get to help them.

Laura Lynch: Well, thank you both so much for taking this deep dive into nomadic health insurance options. So glad that I found you and was able to put this conversation together today. I know people will find it super valuable, because this is the first time, like first time I've heard about something that actually fits the bill for those that are out on the road. So thanks for being here.

Bob Nunn: And for putting this together.

Mike Neighbors: Thanks for having me.

Hey, I'm honored that you listened to this episode of *Less House More Moolah.* I hope something in it will help you continue to move toward a life aligned with your values.

Every algorithm out there is trying to tell us what to prioritize, but we get to choose. If you haven't ever identified your key values, I have a free resource on my website to help you.

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You just have to go to thetinyhouseadviser.com. It's the tiny house A-D-V-I-S-E-R dot com.

At the bottom of the page, you can grab the tiny life values worksheet. When we design a life around "what is our core truth?", we shortcut to deep fulfillment.

See you next Thursday.

Please see the show notes for an important disclosure regarding The Tiny House Adviser, LLC and this episode.