

A woman with voluminous curly hair, wearing a light blue blazer over a striped shirt, is smiling warmly at the camera. She is seated at a wooden desk, with her hands positioned to hold a small white house model with a blue roof. The background shows a blurred office setting with a bookshelf filled with binders. The overall mood is professional and reassuring.

Managing Risk

A Guide to Insurance

Coping with a Health Crisis

The hope with health insurance is that you'll never need it. But when you do?

Do you have the right kind of insurance, and enough coverage, to make it through an extended health crisis?

Studies show that most people believe their health insurance will protect them during a medical emergency, but it depends on the nature of the illness.

Big expenses associated with severe health problems and long-term care might exceed what your plan covers. You may need a separate critical illness policy.

ADDRESSING CRITICAL ILLNESSES

Introduced in 1996, critical illness policies are designed to help with the considerable costs arising from medical emergencies such as heart attack, cancer, stroke, organ transplant and coronary bypass surgery.

Older Americans tend to be more anxious about these issues, particularly since they are living longer than previous generations. Meanwhile, younger people might not think they'll face these health challenges any time soon, but there's a real chance that they could occur at any age.

Many companies provide critical illness insurance as a voluntary employee benefit, acknowledging that workers



© ADOBE STOCK

have concerns regarding out-of-pocket costs related to high-deductible healthcare plans.

When obtained through your employer, these policies are often quite cost-effective. Some can be relatively inexpensive, with low premiums at a fraction of the typical cost.

MAKING SURE YOU'RE COVERED

Combining this coverage with a life insurance plan can lead to further protection. The payout from these policies is usually given in one lump sum. In addition to medical care, it can pay expenses associated with daily living, transportation and other wellness

programs. It's important to read the fine print, however, when purchasing a policy. Critical illness plans may have very particular coverage terms and lots of limitations.

Seniors should pay close attention, since a cap on payouts may exist. Always compare the various offerings and select a policy that best

suits your individual situation. Experts suggest exploring additional insurance options like health savings accounts, disability coverage or flexible spending accounts. They are additional ways to cover costs associated with your illness, especially if you end up with extended time away from work.

Handling A Workplace Mishap

You don't have to work in a factory or deal with heavy machinery to sustain an injury while on the job.

Any employee can find themselves in need of work-related medical assistance. But should you use your personal insurance to address the pile of medical bills that will inevitably follow?

COMMON HAZARDS

Working around huge machines with many moving parts can be a recipe for injury at work. But even those in jobs that seem far less dangerous face risks. These situations lead to insurance claims. Hazards such as spills can create slip risks, while obstacles like cords or cluttered pathways can result in trips. Some positions require working at heights, including using ladders or scaffolding, and that creates risks.

PERSONAL INSURANCE?

If the medical issue can be addressed through your employer's workers' compensation program, it's best to go that route rather than using your own insurance. This is true even if your policy is employer-provided. They have a similar purpose by helping to pay for expenses when health-care is needed. But workers' compensation programs are far more comprehensive. Ask whether this form of



© ADOBE STOCK

insurance is in place at your workplace. States often require employers to provide workers' comp.

Government reports indicate that more than 25 percent of all employees will encounter a disability lasting 90 days or more before they turn 67. Private insurance won't help

with long-term issues should they occur. On the other hand, workers' compensation insurance encompasses medical expenses and job-specific issues like partial replacement for lost wages, disability payments, coverage for funeral and burial costs, and survivor benefits.

MAKING THE RIGHT CALL

If you attempt to use private health insurance to cover treatments that would normally fall under a workers' compensation claim, they may decline to reimburse you.

They'd instead likely insist

that workers' compensation cover the expenses. Even if your insurer initially agrees to pay, you're at risk of a denial of coverage down the road. Then you'll have to reimburse the insurance company, possibly facing a long and difficult process of compensation while trying to recover.

Health Care Plan Lapses

The American economy has seen its share of ups and downs in the 2020s.

Employment and market trends have been shaped by everything from a global pandemic and war to the rise of artificial intelligence. This can be particularly concerning since most people's job status has a direct impact on their health in the form of employer-provided health insurance. What happens if you lose your paycheck – and your healthcare?

CHECK YOUR POLICY

Employees on furlough often keep their health benefits for a limited time, though employers may eventually discontinue coverage if the furlough continues. If you are laid off, your coverage typically ends, but you may have options to extend it temporarily.

Start by contacting your employer's HR department or your insurance company to confirm when your coverage ends and what continuation options are available.

EXPLORE MARKETPLACE OPTIONS

Losing job-based coverage qualifies you for a Special Enrollment Period through the federal or state Health Insurance Marketplace (often called "Obamacare"). Plans available through the Marketplace vary by income, and



© ADOBE STOCK

many people qualify for subsidies that significantly reduce monthly premiums. In some cases, Marketplace plans may be more affordable than continuing employer coverage.

You can compare plans, check eligibility for financial assistance, and enroll at HealthCare.gov or your state's Marketplace site.

CONSIDER COBRA

COBRA allows you to continue your employer's health plan for a limited time after leaving your job. This can be useful if you want to keep the same doctors or have already met your deductible for the year.

However, COBRA can be expensive because you are responsible for the full premium, including the portion your

employer previously paid. Compare this cost carefully with Marketplace options.

REVIEW AND COMPARE PLANS

If your income changes, your coverage needs may change as well. Review deductibles, premiums, and provider networks when considering new plans.

While some people work with independent insurance brokers, many enroll directly through the Marketplace or an insurer's website. If you want assistance, look for a licensed broker or a certified Marketplace navigator who can explain options without steering you toward a single company. Many of these brokers provide their services at no cost to you.

Travel: When Things Go Wrong

Traveling can strain anyone's budget, particularly if you are headed overseas.

Airfare to these distant locations is just the beginning. There's also lodging and any reserved excursions. But what if something goes wrong? That's where travel insurance comes in handy. Including it in your budget can protect you from losses.

GETTING STARTED

Your regular health insurance may provide limited coverage when you travel, especially outside the United States. Before your trip, check with your insurer to understand what is — and isn't — covered, including emergency care and medical evacuation.

Travel insurance can fill those gaps and cover non-medical risks. Comprehensive policies typically include benefits such as trip cancellation or interruption, reimbursement for missed connections, lost or delayed luggage, and emergency medical care while traveling.

The level of coverage you need depends on your destination, the cost of your trip, and the value of your belongings. Policies are available for single trips or multiple trips throughout the year, and options may be offered for individuals or families.

It's worth reviewing any travel protections included with your credit card, as some



© ADOBE STOCK

cards offer limited coverage for trip delays, cancellations, or lost baggage.

TRAVELING DOMESTICALLY

Experts generally agree that travel insurance isn't necessary for domestic travel, as the main function of a travel insurance policy is to safeguard against canceled bookings and to assist with medical costs. Medical emergencies in the

U.S. are typically covered by your personal health insurance, though there may be out-of-network charges. Check with your airline, too, because some permit flight changes or cancellations without penalties.

GOING ABROAD

In contrast, many international healthcare providers require payment upfront and they may not accept American

insurance plans. Medicare doesn't cover any expenses incurred outside the U.S. If your passport is lost or stolen, the local U.S. Embassy can offer help, such as contacting family members and dealing with local authorities. But you won't receive assistance with emergency transportation or any financial losses.

HOW TO BUY

Travel agents can guide you

through insurance options. Online travel platforms often offer coverage, and cruises typically include insurance packages when you buy the trip. Airlines might have special deals on their sites. Getting travel insurance becomes more important if your prepaid trip has strict cancellation policies or if your intended destination has the potential for weather issues or political unrest.

Finding a New Agent

A knowledgeable local agent can serve as a valuable asset when searching for a new insurance plan or managing your existing policy.

They understand the local area and the specific needs of you or your business. They may be able to provide more competitive pricing than larger national brands. Being local, they will reinvest more money back into the community compared to big-box retailers. Finally, since their livelihood depends on your business, they will work hard so that they can keep their own business thriving.

But things change over time. An agent may move away or retire. You may wish to begin a new partnership. It's not easy finding an agent who you can trust with your home, health, life, business or auto insurance. Here's what to look for when searching for a new local agent:

TRUST YOUR NETWORK

Begin by talking to friends, family and coworkers about their insurance journey. Check online with the Better Business Bureau and local referral sites to learn more. You can even reach out through your social media platforms to ask who others rely on for their local insurance needs. The advantage of local



© ADOBE STOCK

referrals is that they come from actual customers, not the businesses themselves. This helps ensure that their comments are authentic and, most importantly, specific to your area and your needs.

GETTING STARTED

Schedule and meet with

several candidates before reaching a final decision. Establish their credentials before discussing specific coverages and their typical fees.

Be ready to ask several key questions as you go through the process, including whether they are a direct agent or

independent and how many years they've been selling insurance in this area.

FIND OUT MORE

Ask about the type of industry qualifications they hold. In general, look for agents with advanced qualifications such as Certified Insurance

Counselor, Chartered Property Casualty Underwriter and Chartered Life Underwriter, among others.

Those professional certifications are evidence they have experience and knowledge that is standard to the industry. Ask them to share references from past clients.

Identity Theft and Data Breaches

As more of our daily lives move online — from banking and shopping to communication — the risks that come with it have grown as well.

Cybercriminals use tactics such as phishing emails, fake websites and data breaches to gain access to personal information. At the same time, common habits like reusing passwords across multiple accounts can make it easier for attackers to succeed. The result is a growing threat of fraud and identity theft. Fortunately, there are practical steps you can take to protect yourself and reduce your risk.

GROWING TREND

Hundreds of thousands of cybercrime complaints are now made each year. The total financial losses amount to billions, with individual damages averaging in the thousands. This growing problem has led to the creation of a range of protective programs aimed at thwarting these criminals. Insurance policies now offer compensation to victims in some circumstances.

STAYING AWARE

Cybercriminals continuously adapt their tactics to outsmart their victims, so everyone needs to stay alert to potential risks. Start by being careful what you share.



© ADOBE STOCK

Shoppers increasingly include crucial personal information on retail websites, and that's made it easier for identity thieves to access data. The repeated password from your bank account may be revealed when sites with weaker security measures are hacked. Criminals then exploit this information to illegally transfer money or make unauthorized purchases.

INSURANCE OPTIONS

Your general liability insurance typically covers property damage and injuries, but the plans often exclude cyber-related issues. Meanwhile, a business owner's general policies usually address only concerns related to their products, services and operations.

This initially led to cyber insurance as a business offering, but more recently insurers

have launched tailored policies for individuals. They serve as a supplement to your homeowner's policy, and include provisions for things like data recovery, extortion or cyberbullying. This coverage can provide an invaluable backstop if you're involved in a hacking incident.

OTHER PROTECTIONS

Some homeowner or renter

insurance policies offer low-cost identity theft protection add-ons. These may cover your losses while aiding with credit repair.

Victims have new protections for purchases made with hacked credit card information, as some credit card companies provide their own insurance options designed to shield consumers from these threats.



PUBLIC DOMAIN/WIKIMEDIA COMMONS

Protecting Against Risk Over Time

Insurance might feel like a contemporary idea, but its origins are found in ancient cultures.

Centuries later, one of the United States' founding fathers became a key figure in bringing the concept to the U.S. Here's a look at the history of insurance.

EARLIEST CONCEPTS

In ancient Babylon, merchants made agreements known as “bottomry contracts.” The Greeks and Hindus also used forms of these contracts. They allowed merchants to take loans without the obligation to repay if their goods were lost at sea. The Romans adopted similar agreements and formed burial

societies to cover funeral expenses for their members.

EMERGING PROTECTIONS

The foundations of our current insurance practices emerged in 17th-century England, with the focus on handling risks expanding to both business and personal lives. This idea took longer to become established in the colonies. Benjamin Franklin was instrumental in bringing insurance to the fledgling United States. He founded the nation's first mutual fire insurance company in the 1750s, offering security to homeowners

during a dangerous era when houses were primarily built of wood but relied on open flames for heat and light.

As insurance evolved, providers began developing more systematic ways to measure risk. Franklin launched the first life insurance company. Assigning a monetary value to human life was controversial and initially faced widespread religious and ethical objections. Over time, however, it became more accepted as a practical tool for determining coverage and pricing policies. As American cities grew denser and buildings were constructed in closer proximity, these risk-based calculations also helped shape insurance criteria, construction standards and zoning regulations.

IMPROVEMENTS AND CHALLENGES

With industrial growth, business insurance became vitally important. The advent of automobiles led to policies that protected drivers.

At the same time, the insurance industry began facing new challenges like fraud. Regulations to safeguard both companies and consumers from deceptive practices were put in place. Following World War II, Congress widened regulatory authority through the McCarran-Ferguson Act. The post-war economic boom then gave rise to many large insurance corporations. Insurance in its many forms — including life, health, home and auto — became essential in providing protection when loss looms.