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I'm an independent contractor. Where can I get health and disability insurance?





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Question:

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Answer:

It depends on the laws in your state. In most states, you can purchase an individual or a one-person group policy for your health insurance. Both are available as managed care or indemnity plans. The big difference is guarantee of acceptance.

Individual policies can decline to insure you or your dependents if the insurance company's medical guidelines are not met. One-person group policies can't refuse to insure you or your dependents because of health problems. But, you will have to prove that you operate a legitimate business. Usually, this requires supplying copies of your tax returns and business licenses.

Disability income insurance is vitally important to the self-employed and will give you an income if you get sick or injured and cannot work. It is available to you as an independent contractor, but it can be difficult to get. The insurance company will require several years of tax returns and a medical examination. Like all insurance, the insurance can be rated or declined if you have health problems or the insurance company feels you have a dangerous job that makes you a higher risk.

The amount of coverage you can purchase is based on your income, age, and occupation. Premiums vary, depending on the waiting and benefit periods you select, and on the percentage of income you insure.

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