

GEORGIA ASSEMBLIES OF GOD
FINANCIAL CONSIDERATIONS
MARCH 23, 2020

It is abundantly clear after a random sampling of the news, social media, etc. that no one really knows where this current Covid-19 (Coronavirus) pandemic is going to end. Dr. Anthony Fauci, the head of the National Institute of Allergy and Infectious Diseases, said Sunday that the United States is "not necessarily" on the same trajectory as Italy, the epicenter of the coronavirus pandemic in Europe.

"Obviously, things are unpredictable. But if you look at the dynamics of the outbreak in Italy, we don't know why they are suffering so terribly. But there's a possibility, and many of us believe, that early on they did not shut out as well the input of infections that originated in China and came to different parts of the world," Fauci said on CBS's "Face the Nation."

"Obviously, things are unpredictable..." stands out like a flashing light! Since Dr. Fauci, who has the most current and accurate data about this epidemic uses talks guided by caution instead of bold proclamations, I certainly will refrain from becoming the next Facebook expert.

I cannot tell you where to buy toilet paper, hand sanitizer, or even hotdog buns but I can offer some pointers to help navigate through a developing financial minefield. The economy is being upset with mandated and voluntary business closures. While these actions are necessary, they come with consequences that will affect churches and families.

It is wise to talk with your church leaders and your family members about a strategy. Better to have a plan and not need to implement than to not have a plan at all. Individual and church readiness now could help mitigate stress, anxiety, or even failure later.

Suggestions that apply to church and family:

1. Decrease debt.

- Credit card debt – while you may not be able to lower home or car loans, you can focus on credit card debt.
- Check to see if your credit card provider is offering an interest/payment holiday. Depending on your interest rate a payment holiday where interest continues to accrue might not be a good option.

2. Cancel nonessential recurring expenses.

- Review your bank and credit card statements to find recurring payments that you might can eliminate.

3. Check to see if your lender (church and/or home) is offering a Covid-19 (Coronavirus) payment holiday.

4. Check to see if the utility companies (church and/or home) are offering a Covid-19 (Coronavirus) payment holiday.

5. Prepare an alternative budget.

- Track your spending for the past three months.

- Identify areas for spending less.
 - Identify nonessential spending.
 - Identify cheaper substitutes.
 - Check to see if you can reduce homeowners and/or auto insurance rates by shopping other providers.
- 6. Save.**
- Try to place as much in an emergency fund as possible.

HEALTH INSURANCE THOUGHTS

6 Things You Need to Know About Your Health Insurance Coverage During the Coronavirus Crisis

Christy Bieber - The Motley Fool - Friday, March 20, 2020

The novel coronavirus, COVID-19, is causing major disruptions to American society as schools and many businesses are being forced to close. Social-distancing measures have been put in place in an attempt to reduce the spread of the virus, but experts warn there's likely to be a substantial number of infections throughout the United States anyway.

It's important to be as prepared as possible in case you or a loved one become ill -- and that means you should review your insurance coverage now while you're still healthy. As the virus and resulting shutdowns are also having a severe economic impact, it makes sense to know exactly what's covered. That way you can also be financially prepared for any routine illnesses that might come up.

In particular, there are six key things to watch out for as you take a look at the coverage available to you.

1. Your deductible

A deductible is a set amount of money you have to pay out of pocket for covered services before your insurance company will start picking up any medical bills. There are some services, including testing for the coronavirus, that should be included before your deductible is met. But in general, insurers will not pay for any care until you've paid the deductible.

For many people, deductibles total several thousand dollars. Start saving now if you will need to come up with this money to get medical care. Check your policy to find out the amount you have to pay out of pocket and get serious about putting enough cash aside to cover it.

If you have a qualifying high-deductible health care plan, you can still make a contribution for 2019 to a health savings account and get a tax deduction when you submit this year's returns. This can make saving enough to cover your deductible easier.

2. Your coinsurance costs

Coinsurance is the percentage of your care that you would have to pay. For example, it's common for insurers to have 20% or 30% coinsurance costs. This means after your deductible has been met and the insurer starts paying the bills, you'll be responsible for covering your percentage. So, let's say that you've paid your deductible and then have a \$10,000 hospital stay. If you have 30% coinsurance costs, you'd be responsible for paying \$3,000 and your insurer would pay the remaining \$7,000.

High coinsurance costs can add up to a lot of money if you need care. Be prepared for them by finding out what portion of your medical bills you'd have to pay.

3. What your copays are

Copays are different from coinsurance costs because they're a flat dollar amount you pay for covered services. You might have a \$50 copay to see a doctor, for example. If that's the case and you visit your physician, you'd have to pay \$50 out of your pocket for the visit.

4. Your coverage for telehealth

During this time of social distancing, it's usually best to avoid leaving the house for non-essential reasons -- especially to visit a doctor's office where there's a greater likelihood of coming into contact with sick people. If your insurance covers it, you could opt for a telehealth visit instead and talk to your doctor over video conferencing.

Medicare has announced telehealth visits for seniors will be covered during the coronavirus crisis. That means older Americans can still get basic health needs met without risking their safety by going out to their physician's office. If you have private insurance, you should check what options you have for getting electronic visits with your doctor paid for.

5. Your out-of-network coverage

Insurers have a network of providers they contract with and you'll find it's less expensive to see one of those providers. Some insurers also cover out-of-network care for visits to doctors and hospitals that don't participate in their network. But be aware that even if your insurance offers coverage for out-of-network care, it will usually be much more expensive.

If you need to see a doctor or, if the worst happens and you need hospitalization, it will be far less expensive to visit an in-network provider. Take the time now to research which hospitals are in your network. If you have no coverage for out-of-network care at all, be aware that getting care in a hospital that doesn't participate with your insurer could cost you tens of thousands of dollars.

6. Your maximum out-of-pocket limit

Insurance policies also have a maximum out-of-pocket limit that caps the amount you'll have to spend. Some policies have a maximum only if you see an in-network doctor while others also have a maximum for out-of-pocket care (albeit usually a much higher one).

You should consider trying to save up enough money to cover the costs of your insurer's maximum out-of-pocket limit. That way if you or a loved one becomes very ill, you won't have to worry about how you're going to pay the bills at a time when you have more important things to focus on.