

# 8. Insurance

This chapter describes how to approach issues related to your insurance policies in the event of detention or deportation, including the options for handling current policies, factors to consider when choosing a path and how to plan ahead.

**What Types of Insurance Policies Do You Have? > What Information Should You Gather About Each Insurance Policy? > What Happens to Your Insurance Policies if You are Detained or Deported? > What Else Should You Consider When Deciding the Fate of Your Insurance Policy?**

*Each Chapter is intended to provide generalized information on a particular topic. In many cases, laws may differ from state to state. Therefore, this information is not intended to replace state-specific legal assistance. Nothing in this manual is intended to create an attorney-client or fiduciary relationship.*

## What Types of Insurance Policies Do You Have?

If you have an insurance policy of any kind, it is important to decide how the policy will be handled if you are detained or deported. The first step in this process is to determine what types of insurance policies you and your family have in force.

### *Common kinds of insurance policies:*

- Health insurance, which may be covered by your employer or purchased individually;
- Car insurance, if you own, lease, or operate a car;
- Homeowner's insurance, if you own a residence;
- Renter's insurance, if you rent their residence;
- Insurance on a business, if you own one;
- Life insurance, which may be covered by an employer or purchased individually;  
or
- Other forms of liability insurance.

You should familiarize yourself with the benefits received under your insurance policies, and what you would forgo in the event of change in status or cancellation of the policy.

Keep in mind that each type of insurance and each insurance carrier is different. The factors to consider and the strategy for handling each policy could depend on the insurance company's rules and protocols.

## **If You Have Health Insurance Through the Affordable Care Act (“ACA”)**

Lawfully present immigrants are eligible to use the Health Insurance Marketplace, but undocumented immigrants are not. If a change in immigration status means you are no longer lawfully present in the U.S., you are also no longer eligible for coverage under the ACA or for any other premium tax credits or savings on Marketplace plans that you receive. Marketplace recommends reporting any change in citizenship or immigration status to your insurance provider as soon as possible, however, each insurer will have

different reporting requirements, policies on grace periods and consequences for failure to report. For more information, contact the Marketplace at 1-800-318-2596.

## What Information Should You Gather About Each Insurance Policy?

The best way for you to manage insurance policies is simply to plan ahead.

### Create a Master List

You should identify your insurance carriers and brokers and make a list containing contact information (phone number, address, email address) for each. For example, if you have car insurance through Geico, you should include the Geico customer service number as well as the contact information for the specific agent, if any.

You should distribute this list to your family or household members and keep a copy in an accessible location and another copy on your person (e.g., cell phone, wallet, or in a secure email account). This helps to ensure access to such information if required to leave the U.S. on short notice.

### Gather Information and Review Insurance Plans

You should locate and review all insurance plan documents, whether in hard copy or online and also contact your insurance company to gather any missing information or ask any outstanding questions.

You should obtain, at minimum, the following information

- Method and requirements for termination or transfer of the insurance policy;
- Policy on reimbursement for coverage not used;
- Consequences of early termination, or termination generally;
- Consequences of non-payment of premiums;
- Necessity of reporting a change in immigration status;
- Ability to revive plan upon return to U.S.;

- Consequences of transfer or cancellation to other individuals covered under the policy; and
- Whether the premiums are being drafted from a bank account.

Answers to the above questions will allow you to make an educated decision about whether to cancel, continue, or transfer the plan in the event of detention or deportation.

## What Happens to Your Insurance Policies if You Are Detained or Deported?

Once you have gathered the requisite information, you can devise a plan to handle a detention or deportation scenario. Generally, you have three options: (1) cancel the policy, (2) continue the policy, or (3) transfer the policy to another individual. Keep in mind that depending on the insurer's rules, one or more of these options may not be available for an insurance policy.

### Cancellation

If you decide to terminate the policy, you may do so by following your carrier's procedure for cancellation. Certain carriers require notice in advance of termination, and may have a waiting period before termination will take effect. Carriers may also specify the format for providing such notice (by email, in writing, by phone). If the provider does not specify format, it is best to give notice in all three ways.

Some insurance policies may terminate automatically upon failure to pay the premium. Others may remain in place but accrue large balances from missed payments and late fees. It is crucial that you take these factors into account when deciding on a path forward. In certain cases, automatic termination may be the simplest option; in others, default on payment can generate unexpected liability.

### Transfer

If it is an option, you may decide to transfer the plan to another family member or beneficiary. Again, look to the carrier's procedure for guidance and associated cost.

### Continuation

If you want to keep the insurance policy in the face of detention or deportation, and such continuation is not prohibited by the insurance carrier, you can do so in several ways.

If already deported, you may continue to utilize the plan remotely. Having a copy of all policy documents and complete contact information is key. Alternatively, you may appoint another individual or grant an individual power of attorney to operate the plan on your behalf. You should prepare and provide in advance to the appointed individual explicit instructions on how the insurance policy should be managed.

If this feature is available and you are set on continuation, you may have the option of setting up automatic payment for the amounts due on the policy, or paying amounts owed on the policy in advance. Consider these decisions carefully as some may be irreversible.

Most importantly, you should find out whether you are still eligible to receive the benefits of your insurance policy during detention or following deportation. Most likely, benefits will not be available to you if you are no longer living in the U.S., and may not be available to you even upon return.

## **What Else Should You Consider When Deciding the Fate of An Insurance Policy?**

Deciding how to handle insurance policies in the event of detention or deportation is a decision that cannot be made without careful consideration of your personal circumstance. Attention to personal factors is just as important as the dictates of an insurance policy. Below are the sorts of things that everyone should consider.

### **Practicality**

If considering continuation of an insurance policy, you should consider whether it is practical to maintain the policy remotely. If your home country lacks reliable internet or cell service, and you do not anticipate regular access to these features, it may make more sense to cancel or appoint another individual in the U.S. to exercise control.

### **Liability**

You should compare the cost of cancelling the policy with the potential liability associated with continuation. Cost of cancellation should be relatively straightforward once details of the policy have been gathered and reviewed. On the other hand, liability associated with continuation of an insurance policy can be more uncertain. For example,

if you keep a car title and insurance plan despite detention or deportation and there is an accident involving your vehicle, you may be subject to liability.

## **Impact on Others**

You should consider the impact on individuals covered by an insurance policy, other than yourself, when deciding whether to continue, transfer, or cancel the policy. For instance, if a relative or dependent covered by an insurance policy would be unable to obtain such a policy (due to immigration status or otherwise), continuing the policy despite the added risk or cost to you may be worthwhile.

Similarly, you should consider whether failure to pay insurance premiums or erroneous continuation of an insurance policy would create liability for or cause harm to family members that remain in the U.S. Careful review of the insurance policy documents and conversations with your insurance broker should provide clarity on consequences of this nature.

## **Impact on Immigration Status**

If removal proceedings are pending or anticipated, you should consider how the handling of insurance policies will affect such proceedings. Likewise, if you plan to return to the U.S., this weighs in favor of complying strictly with all regulations and procedures outlined by your insurance company. It also may provide an incentive to maintain an insurance policy, if permitted.

## Checklist: Insurance

*Deciding how to manage your insurance policies is an important and complex process. Rules and procedures specific to your insurance carriers will provide the steps required to properly cancel, continue, or transfer a policy. Consult with your insurance companies in advance so that you are fully aware of your options, and create a detailed plan that can be implemented if you are detained or deported.*

- Figure out what types of insurance policies you have, and make a list of the contact information of all insurance providers.
  - *Include telephone numbers, email addresses, and mailing addresses. Consider keeping this information with you or in an accessible place. Give the information to a relative or close friend.*
  - *Consider granting powers of attorney in case of deportation.*
  - *Common types of policies include: health insurance, car insurance, homeowner's insurance, renter's insurance, business insurance, life insurance and liability insurance.*
  
- Gather and review your insurance policy documents. If you do not have all the information you need, contact your insurance provider and ask them questions.
  - *Be sure you know: the method and requirements for cancelling or transferring your policy; the consequences of cancellation; the consequences of failure to pay on time or at all; whether you can be reimbursed for benefits not used; whether you are required to report a change in your immigration status; and the consequences to other people covered by your policy.*

- Consider how your choice (to cancel, continue, or transfer your insurance policy) will impact you and the people you care about.
  - *Factors to keep in mind: liability associated with continuing or early termination of your policy; ability to maintain your policy remotely; impact on other beneficiaries of policy; potential negative impact on your removal proceedings; impact on family members remaining in the U.S.; and whether you intend to return to the U.S., if deported.*
  - *Talk to your relatives and, if possible, your attorney about these issues.*
  
- Decide how you plan to handle your insurance policies if you are detained or deported. Generally, your options will be to cancel, continue, or transfer your policy.
  - *The pros and cons of each option will depend on the policies and procedures of your insurance carrier, as well as your personal priorities and circumstances.*
  - *Familiarize yourself with the basic process for each, and the consequences that may result.*