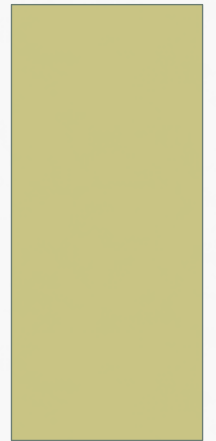




# HEALTH & INSURANCE

PRACTICAL UNIVERSITY



# AVENUES

- **Most people obtain health insurance through their employer.**
- **Private Insurance policies can limit access to some doctors.**



# COST



- Cheap is not always better.
- The premium is the amount you pay for the policy.
- When you receive medical services:
  - A Deductible is how much you pay before coverage begins.
  - Co-insurance is what you pay after the deductible.
    - The plan may pay 60-90% of the cost. The coinsurance is the remainder you are responsible for. Be very careful with this.
  - Yearly Maximum is what you must pay in one year.
- A co-payment is the amount paid directly to the provider at every visit.

# GETTING A DOCTOR

- **Private Insurance plans have networks**
  - **Hospitals**
  - **Doctors**
  - **Specialists**
  - **Pharmacies**
    - **These have contracts with the insurers.**
- **You have to see if your favorite doctor is included.**
  - **Care may only be covered from a network provider.**
- **Specialists require a referral from primary care.**



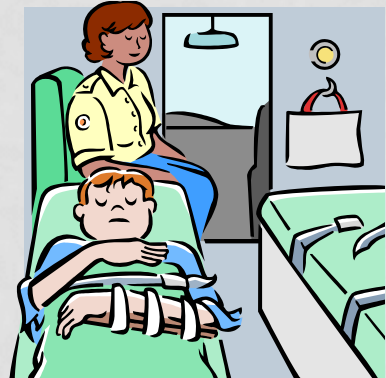
# TYPES OF PLANS



- **HMO is a Health Maintenance Organization.**
- **EPO is an Exclusive Provider Organization.**
  - These restrict coverage to outside providers.
    - You are likely to pay full cost.
- **PPO is a Preferred Provider Organization.**
  - Each has a list of specific doctors. Make sure yours is there.
- **POS is a Point of Service Plan.**
- **Key for searching for other doctors and hospitals: Ask your Dr. if plan includes doctors he/she likes.**
  - Even if you don't need them today

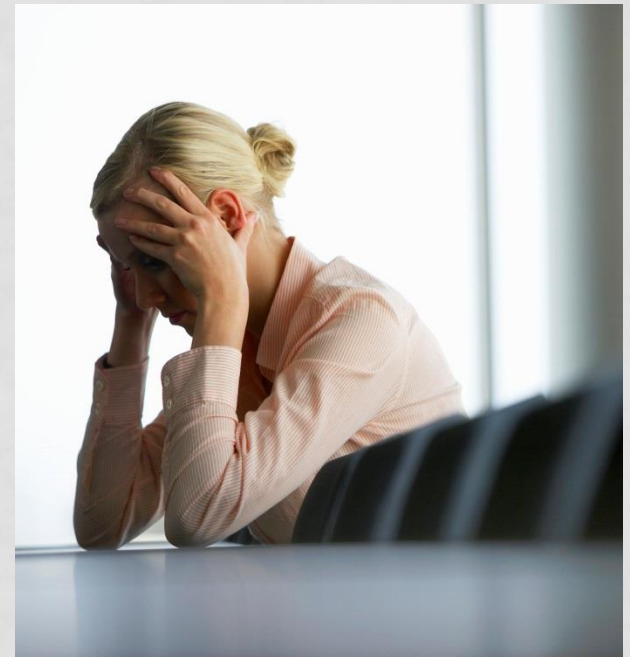
# WHAT IS NOT HEALTH INSURANCE

- **Dread Disease**
  - Only for costs related to specific diseases like cancer
  - States caution about these.
  - Are not guaranteed renewable
- **Accident only**
  - Not due to illness
- **Supplemental**
  - Added to comprehensive
  - Hospital indemnity pays cash benefits each day you are in the hospital.
    - Nowhere near cost of hospital care
  - Supplemental prescription drugs



# DISCOUNT PLANS

- **NOT health insurance**
- **They do have similar features.**
  - Monthly premium
  - ID Card
  - Advertised network
    - Discount is around 25-35%
- **People report problems.**
  - Regulators cannot help.





# THE AFFORDABLE CARE ACT



- The ACA, or Obamacare, has several provisions
  - There are no exclusions or higher premiums due to pre-existing conditions or gender.
  - There are no annual caps for essential health benefits.
  - There is no lifetime maximum. Insurance can't "run out."
  - Plans come in levels: Bronze, Silver, Gold.
    - The higher levels have lower deductibles & better coverage.
  - Individuals not covered by insurance will be charged an annual tax penalty of \$95, or up to 1% of income over the filing minimum, whichever is greater; this will rise to a minimum of \$695 (\$2,085 for families).
    - Exemptions are permitted for religious reasons, members of health care sharing ministries, or for those for whom the least expensive policy would exceed 8% of their income.



# WHAT TO LOOK FOR



- **Balance the premium with the protection.**
  - You pay the premium, deductible, co-insurance, co-payment and the out-of-pocket maximum.
- **Look at costs for non-covered care.**
  - Certain services will be excluded or limited.
- **Check and see if the services and medicines you need, or will need, are provided.**
  - Look at your family history.
- **When considering a new plan, make sure the plan includes your current providers.**
  - Locations convenient
- **Avoid policies without a maximum out-of-pocket limit.**
- **Go for comprehensive coverage.**