

# Health Insurance 101

An overview of the terms you will see while shopping

## What Your Plan Costs

| What You Pay             | Description   | Example   |
|--------------------------|---|---|
| <b>PREMIUM</b>           | The monthly cost of the plan  | \$200 a month   |
| <b>COPAY</b>             | A fixed amount for care   | \$25 for a doctor visit   |
| <b>DEDUCTIBLE</b>        | For things without a copay, you have to pay this amount first before insurance pays     | If your plan has a \$1,000 deductible, you'll pay the first \$1,000 each year             |
| <b>COINSURANCE</b>       | The percentage you pay after the deductible   | If your bill after your deductible is \$100 & your coinsurance is 20%, you pay \$20       |
| <b>MAX-OUT OF-POCKET</b> | The most you'll pay in one year. After you reach this amount, insurance pays everything | If your annual max is \$1,000 and you get a bill for \$1M, you pay \$1,000 & nothing more |

## What Your Plan Covers



### NO COST PREVENTATIVE CARE

Things like annual OBGYN visits, screening tests & immunizations are covered at no costs to you.



### FORMULARY

A list of prescription drugs your health plan covers & their cost to you.

## Other Plan Features

### HDHP

A High Deductible Health Plan offers lower premiums but has a higher deductible. They are a great way to save money if you're relatively healthy and protect yourself from serious injuries & illnesses.

### HSA

A Health Savings Account is a bank account that allows users to pay medical bills tax-free. HSAs only work with HDHPs.

## What Doctors are Included

### PROVIDER NETWORK

Most insurance plans have a specific group of doctors you can see called a Provider Network. There are 4 major network types. Understanding the network type & making sure your doctor is "in network" are important for saving money.

| Types of Networks  | Most Flexible                          |  | Most Affordable         |  |
|--|--|--|-------------------------|--|
|  | PPO<br>Preferred Provider Organization | EPO<br>Exclusive Provider Organization | POS<br>Point-of-Service | HMO<br>Health Maintenance Organization |
| Tip: Find the most affordable network with your doctors. |  |  |                         |  |
| Primary Care Physician (PCP) required                    | NO                                     | SOMETIMES                              | YES                     | YES                                    |
| Referral required to see a specialist                    | NO                                     | NO                                     | SOMETIMES               | YES                                    |
| "In-network" benefits                                    | YES                                    | YES                                    | YES                     | YES                                    |
| Non-emergency "out-of-network" benefits                  | YES                                    | NO                                     | YES                     | NO                                     |
| Emergency coverage                                       | YES                                    | YES                                    | YES                     | YES                                    |