

Health Insurance 101

An overview of the terms you will see while shopping

What Your Plan Costs

What You Pay	Description	Example
PREMIUM	The monthly cost of the plan	\$200 a month
COPAY	A fixed amount for care	\$25 for a doctor visit
DEDUCTIBLE	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
COINSURANCE	The percentage you pay after the deductible	If your bill after your deductible is \$100 & your coinsurance is 20%, you pay \$20
MAX-OUT OF-POCKET	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 Preferred Provider Organization	EPO Exclusive Provider Organization	POS Point-of-Service	HMO 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