

# Benefits of health insurance

## 1. Health insurance protects you from the high costs of health care.



3-day hospital stay  
Without insurance  
= \$30,000



Broken leg  
Without insurance  
= \$7,000



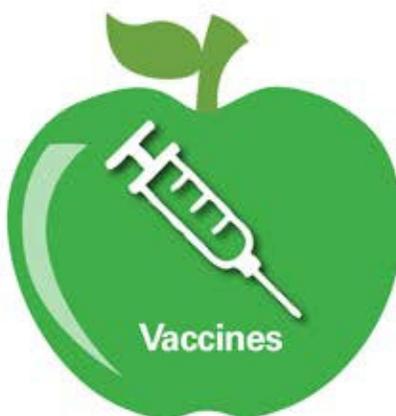
12-month prescription  
for cholesterol medicine  
Without insurance  
= \$800

## 2. Health insurance provides many free preventive-care services.



Well-child  
check-up

Without insurance: \$160  
With insurance: **Free**



Vaccines

Without insurance:  
\$25–\$100 each  
With insurance: **Free**



Well-woman  
exam

Without insurance: \$240  
With insurance: **Free**

## 3. If you have health insurance, your yearly costs are limited.

You keep paying your monthly premiums, but there is a limit on your other costs. It's called the out-of-pocket maximum.

**Example:** Baby Susie needed surgery. Even with insurance, her parents got a bill for \$32,400.

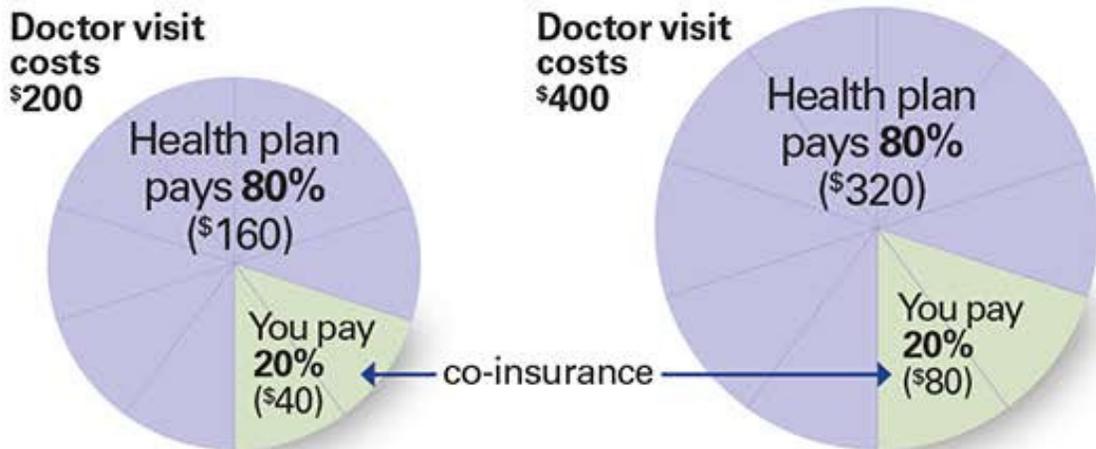
- They paid their yearly out-of-pocket maximum, which was \$3,000.
- Their health plan paid the rest of their costs for the year.





# Co-insurance is a percent (%)

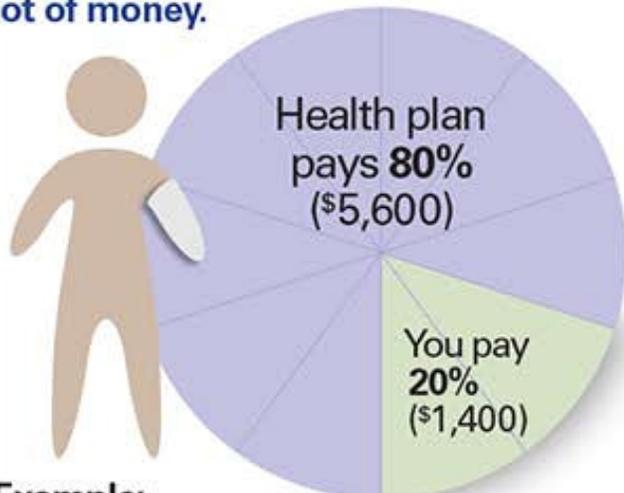
1. For example, you pay a co-insurance of 20% and your health plan pays the rest.



2. Your co-insurance can be different for different health plans, networks, or services.



3. Co-insurance can add up to a lot of money.



**Example:**  
Broken arm costs \$7,000

4. How can I find out co-insurance costs for my plan?

Look in your health plan's **Summary of Benefits and Coverage.**

Preferred brand drugs	20% coinsurance (retail and mail order)
Non-preferred brand drugs	40% coinsurance (retail and mail order)
Specialty drugs	50% coinsurance
Facility fee (e.g., ambulatory surgery center)	20% coinsurance
Physician/surgeon fees	20% coinsurance
Emergency room services	20% coinsurance
Emergency medical transportation	20% coinsurance

**Example**

# Co-pays are fixed dollar amounts

1. For example, the co-pay to see your doctor may be \$30, for long or short visits.

Doctor visit costs \$200.  
You pay \$30.



Doctor visit costs \$400.  
You pay \$30.



2. Your co-pays can be different for different health plans, networks, or services.



Plan A: \$25 co-pay



Plan B: \$35 co-pay



Plan C: \$45 co-pay

3. Most co-pays are \$50 or less. But the co-pay to go to the Emergency Room can be high.



4. How can I find out the co-pays for my plan?

Look in your health plan's **Summary of Benefits and Coverage.**

Primary care visit to treat an injury or illness	\$35 copay/visit
Specialist visit	\$50 copay/visit
Diagnostic test (x-ray, blood work)	\$10 copay/test
Imaging (CT/PET scans, MRI)	\$50 copay/test
Generic drugs	\$10 copay/prescription (retail and mail order)

**Example**

## Drug formularies

**What's a formulary?** A list of the drugs the plan covers.

**The formulary has different levels (tiers) with different costs:**



These drugs are lowest cost, because many companies can make them.



These drugs cost more, because only one company makes them.



These cost even more. Usually you can get a similar drug that is a preferred brand-name or a generic.



These are high-cost drugs to treat rare or complex conditions.

### Is my drug on the formulary?

The health plan may not cover the exact drug you take. But it may cover a very similar drug.

**For example**, you may get a generic version of your brand-name drug. The generic drug has the exact same medicine as the brand-name drug.



# My drug formulary costs

Fill in your co-pay (\$) or co-insurance (%) on the bottles below:



## How can I find out what is on the formulary?

Call the health plan. Ask if your medicines are on the formulary.  
Ask what you would pay for a prescription.

My medicines:

Is it on the formulary?

Cost:

_____	<input type="radio"/> Yes <input type="radio"/> No	\$ _____
_____	<input type="radio"/> Yes <input type="radio"/> No	\$ _____
_____	<input type="radio"/> Yes <input type="radio"/> No	\$ _____
_____	<input type="radio"/> Yes <input type="radio"/> No	\$ _____

What pharmacy can I go to?

\_\_\_\_\_

What is the name of the mail order pharmacy?

\_\_\_\_\_

Phone:

\_\_\_\_\_

**What if my medicine is NOT on the formulary?**

Ask if the formulary has a similar medicine.  
Then ask your doctor or pharmacy if the similar medicine would work for you.

**What if I can't get a medicine I need?**

You can file a complaint (called a grievance) with your health plan. If that doesn't work, you can file an appeal. Ask your doctor to help you explain why you need the medicine.

## My health plan network

Your network is the doctors and other providers you will usually see for care.

How can I find out who is in my network?

Call your health plan. Phone: \_\_\_\_\_

Are my doctors or other providers in the network?

Doctor's name: \_\_\_\_\_  Yes  No

Doctor's name: \_\_\_\_\_  Yes  No

Doctor's name: \_\_\_\_\_  Yes  No

Hospital: \_\_\_\_\_  Yes  No

Pharmacy: \_\_\_\_\_  Yes  No

Other provider: \_\_\_\_\_  Yes  No

Fill in your costs below.

### In-network costs

Yearly deductible: \_\_\_\_\_

Out-of-pocket maximum: \_\_\_\_\_

Generic drugs: \_\_\_\_\_

Doctor visit: \_\_\_\_\_

Lab test: \_\_\_\_\_

Most preventive care: **Free**

Emergency Room visit: \_\_\_\_\_

In an emergency you can go to any ER, even if it is not in your network.

### Out-of-network costs

Will my health plan pay anything if I go out of network?  Yes  No

Yearly deductible: \_\_\_\_\_

Out-of-pocket maximum: \_\_\_\_\_

Doctor visit: \_\_\_\_\_

Lab test: \_\_\_\_\_

Preventive care: **Not Free**

# Health plan networks

## In-network providers



**HMO:** If you go outside your network, you usually have to pay all of the cost.

## Out-of-network providers



**PPO:** If you go outside your network, your PPO pays part of the costs. But you pay much less **in** the network.

**Both HMOs and PPOs cover emergency care.**



You can go to any Emergency Room, even if it is not in your network.

**Some PPOs have 3 levels (tiers).**

**\$\$\$ Tier 3**  
Highest cost



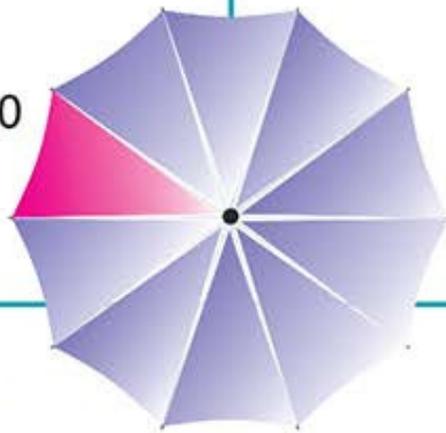
## Employer coverage and tax credits

### Can I get a tax credit for a Marketplace plan if my employer offers coverage?

Only if the premiums for your employer's lowest-cost plan are more than 9.5 percent (%) of your family's income.

#### First figure out 9.5% of your family income.

- Tom's family income: \$60,000
- Multiply \$60,000 by .095 = **\$5,700**



#### Then figure out your premiums for a year.

- The premium for Tom's employer coverage is \$350 each month.
- Multiply \$350 by 12 = **\$4,200**

#### Can Tom get a tax credit?

**No.** He pays **\$4,200** a year for premiums. **That's less than \$5,700.**



Tom doesn't qualify for tax credits because his insurance costs less than 9.5% of his income.



Tom's family doesn't qualify, either. That's because Tom didn't qualify.

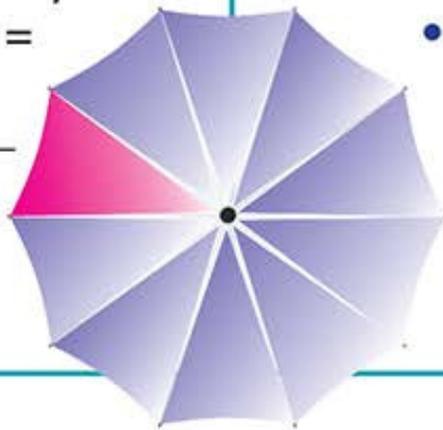
## Employer coverage and tax credits worksheet

### Can I get a tax credit for a Marketplace plan if my employer offers coverage?

Only if the premiums for your employer's lowest-cost plan are more than 9.5 percent (%) of your family's income.

#### First figure out 9.5% of your family income.

- My family income =  
\$ \_\_\_\_\_
- Multiply my family income by .095 =  
\$ \_\_\_\_\_



#### Then figure out your premiums for a year.

- The monthly premium for employer coverage =  
\$ \_\_\_\_\_
- Multiply the monthly premium by 12 =  
\$ \_\_\_\_\_

#### Can I get a tax credit?

- No** I can't get a tax credit because my premiums are **less than 9.5%** of my family income.
- Yes** I may get a tax credit because my premiums are **more than 9.5%** of my family income.

Call: \_\_\_\_\_

