

HEALTH INSURANCE

Things you probably didn't know and why its even important to you.

Maegan Heiner
Benefits Secretary
BESD District Office

HEALTH INSURANCE VOCABULARY

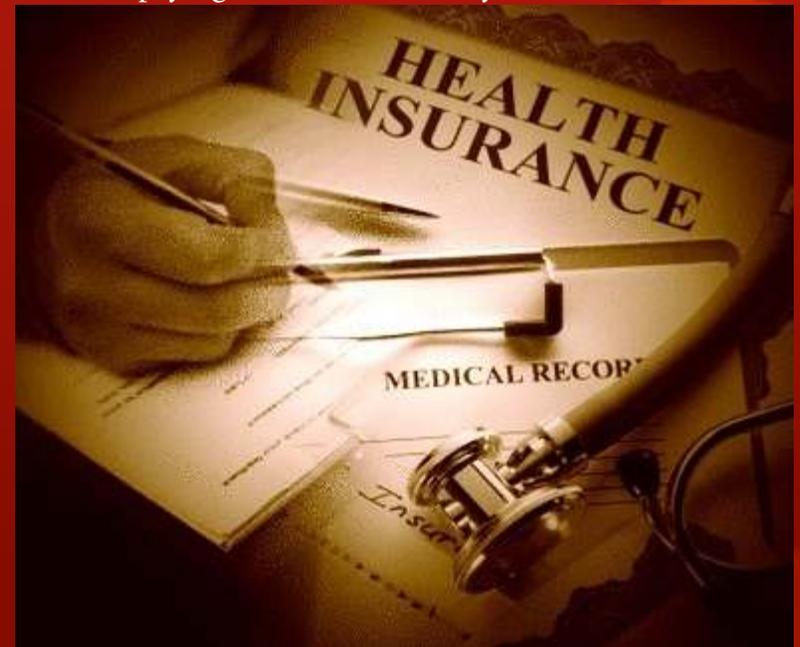
- Premium: This what is paid each month to the insurance company so that you can have coverage.
- Deductible: A deductible is what you have to pay out of pocket for your health care visits. Once your deductible is met, the insurance company picks up a percentage of the charge from a doctor.
- Co-Pay: This is a small payment you pay each time you see the doctor or get a prescription filled. Usually around \$20-\$60
- Out of Pocket Maximum: Once you meet your deductible and out of pocket the insurance pays for 100% of all charges.

HEALTH INSURANCE VOCABULARY

- Health Maintenance Organizations (HMO's): Not very common form of insurance. There is no coverage if the member uses doctors or facility that does not take the HMO. Usually paired with a Medicare Plan.
- Preferred Provider Organization (PPO): A group of physicians that agree to give health care at a lower rate to large organizations. If they employees at these organizations go else where, they pay more.

WHAT IS HEALTH INSURANCE?

- Health Insurance is just like insurance most of you have on your car. Its something you pay for so that if a health issue arises you have some financial assistance.
- Health care can be very expensive, by paying a monthly premium to a health insurance company, there is at least some sort of financial support so that you are not left paying the entire bill on your own.
- It is also helpful for routine doctors visits, vaccinations, and prescription costs.



DIFFERENT KINDS OF INSURANCE

- Employer Provided: This is the most common. This is when you and your employer both pay a portion of the premium. Generally its more cost effective because large groups get discounts from insurance companies.
- Medicare: This is they type of insurance you get on when you turn 65. Medicare is also available to those who qualify with a major disability.
- Medicaid: Is for low income families, or single parents. It is paid for by the government and individuals have to qualify for coverage. It is not accepted by all providers and designed mostly for children.
- Private: Private insurance is for a self employed individual or if your employer didn't offer insurance. You can get private insurance from most companies, it just tends to be more expensive.

MEDICAL SAVINGS ACCOUNTS

- With health care costs constantly rising several types of Medical Savings Accounts have been developed.
- These accounts are designed for medical expenses only.
- If the owner of the accounts takes the money out of their paycheck through their payroll department then it is not taxed.
- A few types of savings accounts are: Flexible Spending, Health Savings, or Health Reimbursement Account.
- They all work a little differently and have certain limitations but are a good way for people to save some money.



HEALTH INSURANCE TRENDS

- Health insurance costs are drastically rising each year. Some reasons for that are:
 - Health Care Reform
 - Increasing number of high dollar claims
 - Increasing prescription costs
 - Doctors fees are always rising



HOW INSURANCE AFFECTS YOU

- When you are no longer able to be covered by your parents it is something you will have to include in your monthly budget.
- It is a valuable benefit to look for when you are seeking a job.
- Health Care Reform has the potential to drastically change health care and health insurance as we know it and it could impact you and your future families
- Medical costs will continue to rise, you will need to be good consumers when seeking medical care.

