

## Health Insurance 101

### What is Health Insurance?

Health coverage pays for provider services, medications, hospital care, and special equipment when you're sick. It is also important when you're *not* sick. Most coverage includes immunizations for children and adults, annual visits for women and seniors, obesity screening and counseling for people of all ages, and more for free. Depending on your plan, you would pay either a reduced fee or no fee at all for services!

#### Things to Note

- Insurance plans can differ by the providers you see and how much you must pay.
- Medicaid and CHIP programs also vary from state to state.
- Request a Summary of Benefits and Coverage document that summarizes the key features of the plan or coverage, such as the covered benefits, cost-sharing provisions, and coverage limitations and exceptions.

### Common Terminology

- **Premium** – The total cost of the insurance plan. This doesn't include your deductible, copayment, or co-insurance.
  - **If you enroll into a plan offered by your job** – You and your employer will split the cost in paying for the plan by making payments either monthly, quarterly, or yearly.
  - **If you purchase a plan on your own** – You will typically make monthly payments.
- **Co-Payment/Co-Pay** – A set amount you are required to pay *after* your insurance is applied for certain services (ex. doctor's visit, hospital outpatient visit, or prescription drug). Copayments are usually between \$0 - \$50 depending on your insurance plan and the type of visit/service.
- **Deductible** – A set amount you are required to pay *before* your insurance plan is applied for non-co-pay services. For example, if your deductible is \$500 and the total bill is \$1,000, your plan won't pay anything until you've paid the \$500 and then they will cover the difference.
- **Co-Insurance** – Your share of the costs of a covered health care service, calculated as a percent of the allowed amount for the service. You pay co-insurance *plus* any deductibles you owe.
- **Claim** – A payment request for the health services performed. The claim is typically filed by the provider directly to the insurer and collect the co-pay and/or co-insurance at the time of service.
- **Network** – A group of facilities, providers, and suppliers your health insurer has contracted with to provide health care services (also known as *in-network* providers). Providers that are not contracted with your health insurer are known as *out-of-network* and may cost more if you go to them.

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### Health Insurance Network Types

A type of plan that limits who to seek care from. Some networks will allow you to meet with almost any provider. Most employers offer network type insurance health insurance plans.

- **Exclusive Provider Organization (EPO)** – Cost is covered ***ONLY IF*** you use a provider in their network ***unless*** it's an emergency.
- **Health Maintenance Organization (HMO)** – May limit coverage to providers that contract with them and may require one to live or work in its service area.
- **Point of Service (POS)** – You pay less if you use a provider in their network. Typically, requires you to get a referral from your primary care doctor to see a specialist.
- **Preferred Provider Organization (PPO)** – You pay less if you use a provider in their network. You can use a provider outside their network for an additional cost.

### Health Insurance Marketplace

Managed by the U.S. Department of Health and Human Services, the “marketplace” offers health insurance plans to anyone who chooses to purchase one on their own. Some plans offered through the marketplace include plan categories which determines how you and your insurance plan will split the costs. The table below provides a brief description of each plan category.

Plan Category:	How Cost is Split:	Good Choice If:
<b>Bronze Plan</b>	Lowest monthly premium / Highest out-of-pocket costs	You want a low-cost way to protect yourself from worst-case medical scenarios, like serious sickness or injury. Your monthly premium will be low, but you'll have to pay for most routine care yourself.
<b>Silver Plan</b>	Moderate monthly premium / Moderate out-of-pocket costs	You qualify for “extra savings” — or, if not, if you're willing to pay a slightly higher monthly premium than Bronze to have more of your routine care covered.
<b>Gold Plan</b>	High monthly premium / Lowest out-of-pocket costs	You're willing to pay more each month to have more costs covered when you get medical treatment. If you use a lot of care, a Gold plan could be a good value.
<b>Platinum Plan</b>	Highest monthly premium / Lowest out-of-pocket costs	You usually use a lot of care and are willing to pay a high monthly premium, knowing nearly all other costs will be covered.

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### Health Savings Account

A type of savings account that lets you set aside money on a pre-tax basis to pay for qualified medical expenses. By using untaxed dollars in a Health Savings Account (HSA) to pay for deductibles, copayments, coinsurance, and some other expenses, you may be able to lower your overall health care costs. ***HSA funds generally may not be used to pay premiums.***

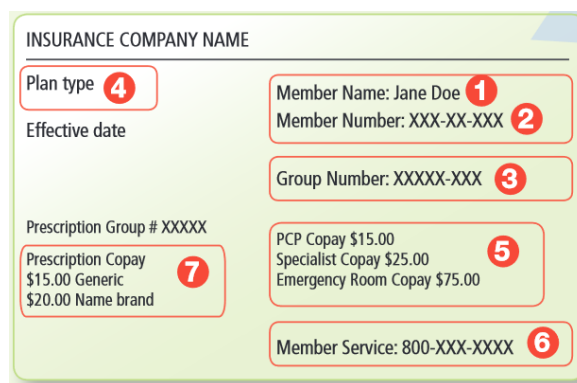
While you can use the funds in an HSA at any time to pay for qualified medical expenses, you may contribute to an HSA only if you have a High Deductible Health Plan (HDHP) — generally a health plan (including a Marketplace plan) that only covers preventive services before the deductible. To learn more about HDHPs and HSAs check out, the [Marketplace's article on High Deductible Health Plans \(HDHPs\) & Health Savings Accounts \(HSAs\)](#) (scan the QR code for the article!).



### Reading Your Insurance Card

Once enrolling into a health insurance plan, you will receive a membership package with information on your insurance plan or your state Medicaid or CHIP program including a card or other documentation serving as proof of your insurance. It is important to read over the information in your membership package to fully understand the coverage included in your plan. Moreover, always keep your insurance card with you in case of an emergency. The image on the right is an insurance card sample along with a key on how to read and understand what is labeled on your insurance card.

1. **Member Name** – Your Name and may also include DOB.
2. **Member Number** – ID # so your provider knows how to bill your health plan.
3. **Group Number** – Tracks the specific benefits of your plan and lets your provider know how to bill your insurance.
4. **Plan Type** – Lists your plan's network type (HMO, PPO, HSA, Open, etc.).
5. **Co-Pay** – Lists the amounts you are expected to pay for the service listed.
6. **Member Service OR Phone Number** – The insurance contact information (may be listed on the back of the card).
7. **Prescription copayment** – Lists the amounts you are expected to pay for select prescriptions.



INSURANCE COMPANY NAME	
Plan type <b>4</b>	Member Name: Jane Doe <b>1</b>
Effective date	Member Number: XXX-XX-XXX <b>2</b>
	Group Number: XXXXX-XXX <b>3</b>
Prescription Group # XXXXX	PCP Copay \$15.00 <b>5</b>
Prescription Copay <b>7</b> \$15.00 Generic \$20.00 Name brand	Specialist Copay \$25.00 Emergency Room Copay \$75.00
	Member Service: 800-XXX-XXXX <b>6</b>

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## Health Insurance 101

### Prescription Discount Cards

Prescription discount cards, most of which are available at no cost, offer savings to patients who may lack insurance or adequate coverage for their brand or generic medication costs. Numerous programs that provide such cost savings are available, and these cards can be used at many pharmacies across the U.S. The actual savings can vary from pharmacy to pharmacy and card to card.

For patients with insurance, copayments may or may not be more cost-effective than using such a savings plan. For patients without any prescription coverage, these plans may be quite helpful in ensuring medication management of various disease states. To learn more check out, [Dr. Olga Hilas' A Pharmacist's Primer on Prescription Discount Cards on the U.S. Pharmacist – The Leading Journal in Pharmacy](#) (scan the QR code for the article!).



It is important to note that these discount cards **cannot** be combined with prescription coverage; therefore, any medication costs would not be applied toward insurance deductibles or out-of-pocket maximums. The table below provides an overview of the most popular prescription discount cards in the U.S.

**Popular Prescription Discount Cards**

Prescription Discount Card:	Overview:	Website:
<b>GoodRx RxSaver</b>	<ul style="list-style-type: none"> <li>Available at no cost</li> <li>Accepted at more than 70,000 pharmacies in the U.S., Puerto Rico, and the U.S. Virgin Islands</li> <li>Provides 24/7 customer support.</li> <li>Offers—for a monthly fee—a Gold card that provides discounts of up to 90%, discounted online doctor visits, and free home delivery</li> <li><b>RxSaver</b> – Acquired by GoodRx in April 2021</li> </ul>	<a href="http://www.goodrx.com/">www.goodrx.com/</a>  <a href="http://www.rxsaver.com/">www.rxsaver.com/</a>
<b>SingleCare</b>	<ul style="list-style-type: none"> <li>Available at no cost</li> <li>Accepted at more than 35,000 pharmacies in the U.S.</li> <li>Provides 24/7 customer support.</li> <li>Offers free home delivery on 4,000 eligible prescription medications</li> </ul>	<a href="http://www.singlecare.com/">www.singlecare.com/</a>
<b>Blink Health</b>	<ul style="list-style-type: none"> <li>Available at no cost</li> <li>Accepted at more than 35,000 pharmacies in the U.S.</li> <li>Offers online doctor visits and free home delivery.</li> <li>Provides a price-match guarantee on generic prescription medications</li> </ul>	<a href="http://www.blinkhealth.com/">www.blinkhealth.com/</a>
<b>ScriptSave WellRx</b>	<ul style="list-style-type: none"> <li>Available at no cost</li> <li>Accepted at more than 65,000 pharmacies in the U.S.</li> <li>Offers a preferred-medication list.</li> <li>Provides resources such as a pharmacist contact number, pill identifier, and other medication-management tools</li> </ul>	<a href="http://www.wellrx.com/">www.wellrx.com/</a>

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## Health Insurance 101

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