

5 things to know about health insurance

There are many kinds of private health insurance policies. Different kinds of policies can offer very different kinds of benefits, and some can limit which doctors, hospitals, or other providers you can use.

You may have to pay coinsurance or a copayment as your share of the cost when you get a medical service, like a doctor's visit, hospital outpatient visit, or a prescription. Coinsurance is usually a percentage amount (for example, 20% of the total cost). A copayment is usually a fixed amount (for example, you might pay \$10 or \$20 for a prescription or doctor's visit).

You may have to pay a deductible each plan year before your insurance company starts to pay for your care. For example, let's say you have a \$200 deductible. You go to the emergency room and the total cost is \$1,250. You pay the first \$200 to cover the deductible, and then your insurance starts to pay its share. After you have paid your deductible, you may still be required to pay a coinsurance or copayment until you have met the limit for your out-of-pocket expenses.

Health insurance plans contract with networks of hospitals, doctors, pharmacies, and health care providers to take care of the people in the plan. Depending on the type of policy you buy, your plan may only pay for your care when you get it from a provider that is in the plan's network, or you may have to pay a bigger share of the bill.

You may see products that look and sound like health insurance, but don't give you the same protection as full health insurance.

Some examples are policies that only cover certain diseases or plans that offer you discounts on health services. Don't mistake them for full comprehensive insurance protection. Call the insurance company selling the product to verify that you are buying a comprehensive health insurance plan.

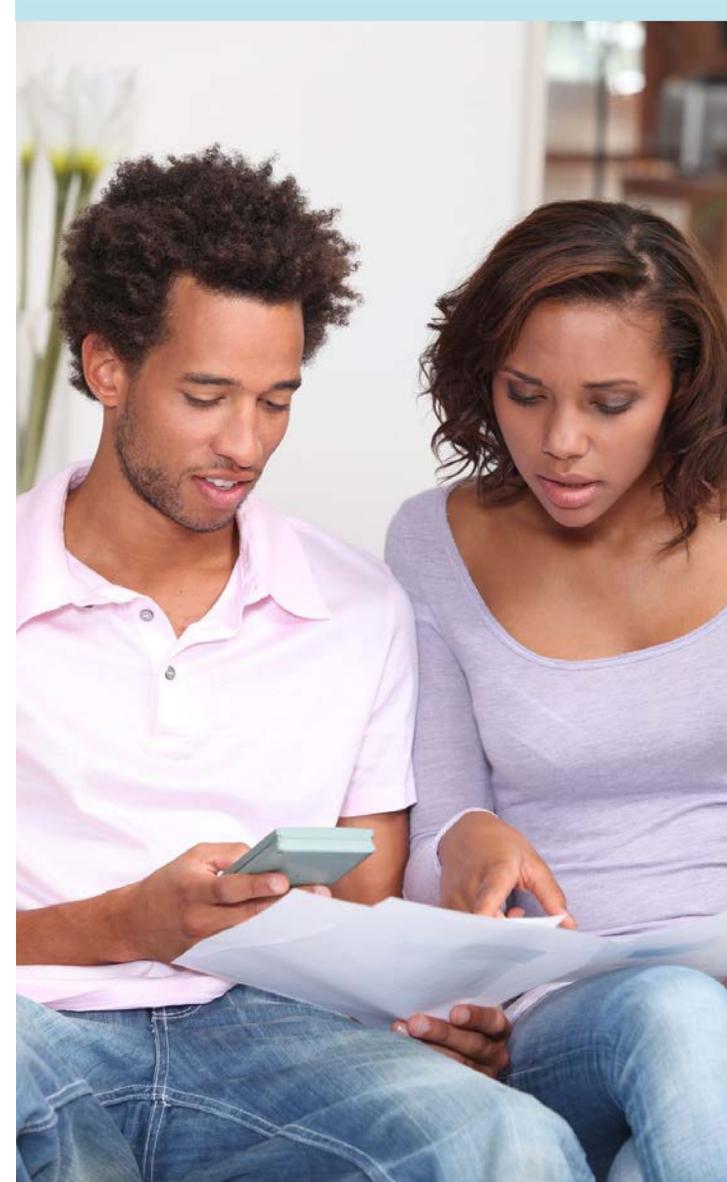
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The basics of health insurance



Health coverage helps pay costs when you need medical care

No one plans to get sick or hurt, but most people need medical care at some point. Health coverage helps pay for these costs and protects you from very high expenses.

What is health insurance?

Health insurance is a contract between you and your insurance company. You buy a plan, and the company agrees to pay part of your medical costs when you get sick or hurt.

There are other important benefits of health insurance. Plans available in the Health Insurance Marketplace (and most other plans) provide free preventive care, like vaccines and check-ups. They also cover some costs for prescription drugs.

Health insurance helps you pay for care

Did you know the average cost of a 3-day hospital stay is \$30,000? Or that fixing a broken leg can cost up to \$7,500? Hav-



ing health coverage can help protect you from high, unexpected costs like these. Your insurance policy or summary of benefits and coverage will show what types of care, treatments and services are covered.

What you pay for health insurance

You'll usually pay a premium every month for health coverage, and you may also have to meet a deductible once each year before the insurance company starts to pay its share.

How much you pay for your premium and deductible is based on the type of coverage you have.

Just as important as the premium cost is how much you have to pay when you get services.

Examples include:

- How much you pay for care before your insurance company starts to pay its share (*a deductible*)
- What you pay out-of-pocket for services after you pay the deductible (*coinsurance or copayments*)
- How much in total you'll have to pay if you get sick (*the out-of-pocket maximum*)

What your policy covers is often directly related to how expensive the health insurance policy is. The policy with the cheapest premium may not cover many services and treatments, or may have a high out-of-pocket cost. In general terms, the more you pay for your premiums, the less out-of-pocket costs you'll have.

Catastrophic health plans

Catastrophic health plans are an available option for people under 30 years old or for people who are not required to buy health insurance because of a low income. These plans have a lower premium cost, but generally require you to pay all of your medical costs out-of-pocket up to a certain amount - usually several thousand dollars. Catastrophic plans are intended to protect from major injuries or illnesses. Individuals buying catastrophic plans are not eligible to receive tax credits or subsidies to help pay for the coverage. Visit insureKS.org or www.HealthCare.gov for more information.