

Getting Started

Understanding Health Insurance Costs

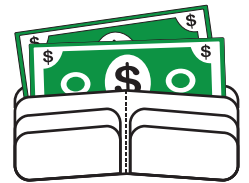
1. Choose a plan with **premiums** that you can afford every month.

A **premium** is the **monthly** payment you make to the insurance company for your health care policy.



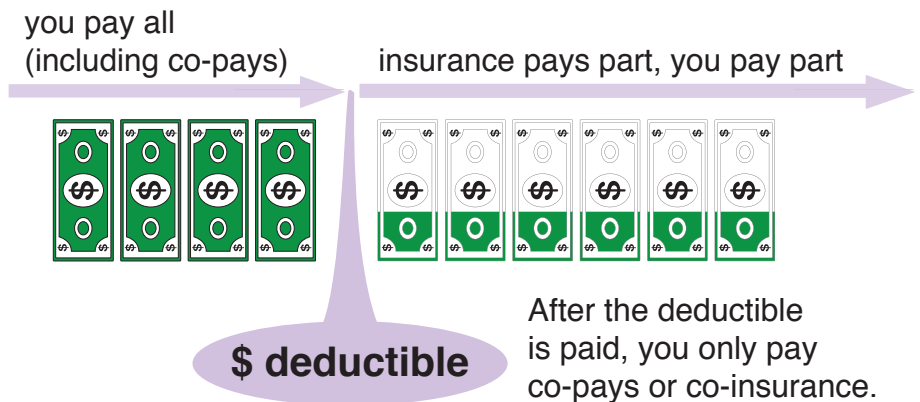
2. Find a plan that will help you pay the **out-of-pocket costs**.

Out-of-pocket costs are NOT included in your monthly premium. This is the amount you must pay during a year for your health care in addition to your premium. This includes any **deductible**, **co-pay**, **co-insurance**, or extra costs for services.



Deductible:

The amount you need to pay before the insurance company will start to pay its part.



Co-pay:

The fixed amount you pay for a service.

Example:

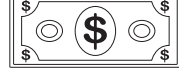
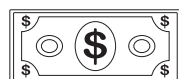


doctor's visit
\$100

\$20
co-pay



you pay \$20



Insurance pays \$80

Co-insurance:

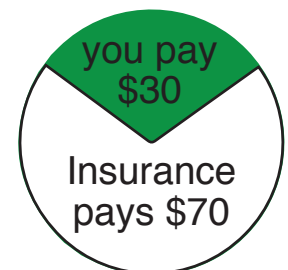
The percentage you pay for a service.

Example:



doctor's visit
\$100

30%
co-insurance



covering
Wisconsin
Connect to Care, Engage in Health

www.coveringwi.org

3. Before you buy a plan, ask:

How much will I pay before the insurance company pays a share?

What's my deductible?



How much will I pay to see my doctor or a specialist?

What is the co-pay?

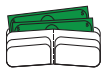
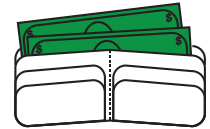


How much will prescriptions cost with this plan?



What is the maximum amount I pay for health care in a year?

What is the out-of-pocket max?



There are 3 stages to using your health insurance during the year:

Stage 1: You pay the full amount for all of your health care bills. After you have paid for care equal to the amount of your deductible, you enter stage 2.

Stage 2: You split the cost of care with your insurance company. You only pay for co-pays and co-insurance, and the insurance company pays the rest. After you pay for care equal to the amount of the out-of-pocket max, you enter stage 3.

Stage 3: You pay nothing and your health insurance pays for all of your covered care. If you don't get much care during the year, you may stay in stage 1 all year. But, you will need to keep paying your monthly premium to keep your plan.

