

How Insurance Works

Health insurance is one of the best ways you can protect yourself and your family in case you get sick or injured and need medical care. It also helps you get the regular medical and dental care you need to stay healthy. With health insurance, you don't have to put off checkups or use the emergency room for everyday health needs. Thanks to the Affordable Care Act (ACA), millions of people can now afford health insurance.

Health Insurance Programs Many people receive health insurance through their job as a benefit. Other people receive Medicaid, which is insurance from the state. There are also other health insurance programs, like Medicare, or the Children's Health Insurance Program (CHIP). People who don't get insurance through their job, Medicaid, Medicare or CHIP have to buy it on their own.

What has changed in Health Insurance? The ACA changed how health insurance works.

- Parents can keep their children on their health insurance plans until they turn 26 years old.
- Insurance companies cannot turn down people who pre-existing medical conditions.
- Insurance companies cannot cancel people's insurance plans if they get sick.
- Preventive care is now free.
- You can buy your insurance in the Health Insurance Marketplace (www.healthcare.gov)

Essential Health Benefits

The ACA also makes sure that all health insurance plans offer:

- care you get without being admitted to a hospital (ambulatory patient services)
- emergency room care
- hospital care
- pregnancy and newborn care
- mental health and substance use care
- prescription drugs
- rehabilitative and habilitative services
- laboratory services
- preventive and wellness services and chronic disease management
- pediatric services, including oral and vision care.

Preventive Care.

These are services that prevent or help you from getting sick. A good example of preventive care is vaccinations. Because vaccinations are preventive care, your health insurance will pay 100% of the cost, so your vaccines are free. Other types of preventive care:

- **SCREENINGS.** Checking to see if people have high blood pressure, depression or other medical issues that might cause serious health problems. Caught early, treatment is easier and may work better.
- **CHILDREN'S HEALTH.** Health services for children such as checking for autism, checking hearing in newborn babies and vision in children as they grow older, and giving them vaccinations.
- **WOMEN'S HEALTH.** Health services for women such as mammograms, checking for cervical cancer, and providing birth control.
- **MEN'S HEALTH.** Health services for men such as colon cancer screenings



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Premiums and Copays Premiums and co-pays are two different types of costs that are part of having health insurance and health care. A **premium** is the amount you pay each month to your insurance company in order to have insurance. A **co-pay** is a set amount of money you have to pay each time you need medical care—for example, if you see a doctor, get lab tests, or go to the hospital.

Deductibles and Co-insurance

Deductibles: This is a set amount of money that you must pay before the insurance company starts to pay for certain services. Once you reach your deductible for the year, then your insurance company may pay for a larger part of your health care costs.

Co-insurance: Your insurance might only pay a percentage or a part of your health care cost. For example, if your insurance pays 80% of x-ray costs, and your x-ray is \$100, insurance will pay \$80, you pay \$20.

Networks Your health insurance company works with a group of doctors, hospitals, pharmacies and laboratories. They have an agreement about how much they charge. This group is called a network. When you sign up with a health insurance company, it is recommended that you see health care providers who are in that insurance company's network. If you want to get health care outside that network you may have to pay for it on your own.

Applying for Insurance You can apply for health insurance through the Marketplace on your own, either on the phone or on the internet. But because applying for insurance can sometimes be confusing, there are people who are trained to help you, such as Navigators or Certified Application Counselors (CACs), who can help you understand your choices and help you apply. They can help you figure out what the costs will be, based on how much money you earn and how many people are in your family. They can also answer your questions about how health insurance works and how it can help you. To find assistance in your area, dial 2-1-1.

Paying for your Health Insurance Remember that health insurance is a contract that you sign with the health insurance company. Signing up for health insurance is the first step. Your next step is paying for it. You will need to pay an insurance bill each month in order to keep your insurance. Health insurance should now be part of your monthly budget.

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