

# What You Need to Know About Health Insurance

## *Enroll on Time*

## *Take Time to Review Your Options*

It doesn't matter if you already have coverage or not, you should take the time to review your options during the current open enrollment period. If you miss the open enrollment period you may be stuck in your current health plan, or even worse, left uninsured for the remainder of the year. If uninsured, you may face a penalty. Everyone should take the time to re-shop for coverage, even if you're already covered, and especially if you're eligible for a subsidy.

*Did you know that 7 out of 10 people could save money by re-shopping for health insurance? The best time for you to re-shop for health insurance is during the open enrollment period. It's especially important to re-shop for coverage if you're collecting a subsidy, or may potentially qualify for one, because you could be leaving a substantial amount of money on the table.*

## *Understand Key Terms*

**Advanced Premium Tax Credit (APTC)** – A tax credit that can reduce what you pay for insurance. When you apply for coverage in the Health Insurance Marketplace, you estimate your expected income. If your estimate falls in the range to save, you can use an advance payment of the premium tax credit to lower your monthly insurance bill.

**Coinsurance** – Your share of the costs of a covered health care service, calculated as a percentage (for example, 20%) of the allowed amount for the service. You pay coinsurance after you've met your deductible.

**Deductible** – The amount you owe for covered health care services before your health insurance plan begins to pay. For example, if your deductible is \$1,000.00, your plan won't pay anything until you've paid \$1,000.00 for covered services. Some plans pay for certain health care services before you've met your deductible.

**Out-of-pocket maximum/limit** – The most you'll have to pay for covered services in a policy period (usually one year). After you reached this amount, your health plan will pay 100% for covered essential health benefits.

**Health Savings Account (HSA)** – A medical savings account available to taxpayers who are enrolled in a High Deductible Health Plan. The funds contributed to the account aren't subject to federal income tax at the time of deposit. Funds must be used to pay for qualified medical expenses. Unlike a Flexible Spending Account (FSA), funds roll over year to year if you don't spend them.

## *Plan Costs*

The monthly premium and out-of-pocket expenses you pay when you receive medical care.

### **Premiums**

- Bronze plans cover 60 % of the average member's total health care costs and thus have the lowest premiums but the highest out-of-pocket costs.
- Silver plans cover 70% and have higher premiums and lower out-of-pocket costs than Bronze plans.
- Gold plans cover 80% and have higher premiums and lower out-of-pocket costs than Silver plans.
- Platinum plans will cover 90% and have the highest premiums and lowest out-of-pocket costs.