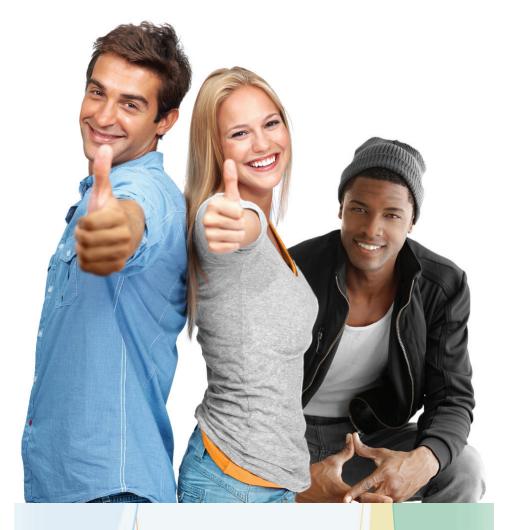## 5 things to know about health insurance

1. 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.

2. 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 set dollar amount (for example, you might pay $10 or $20 for a prescription or doctor's visit).

3. You may have to pay a deductible each plan year before your insurance starts to pay. For example, let's say you have a $200 deductible. You go to the doctor and the total cost is $250. You pay the first $200 to cover the deductible, and then your insurance starts to pay its share.

4. Health insurance plans contract with networks of hospitals, doctors, pharmacies, and health care providers to take care of 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 in the plan's network, or you may have to pay a bigger share of the bill.

5. 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, policies that only cover you if you're hurt in an accident, or plans that offer you discounts on health services. Don't mistake insurance-like products for full comprehensive insurance protection. Full health insurance usually covers most medical problems.

Get more information about how insurance works at **www.HealthCare.gov**.

Scan for More Information

The Value of
HEALTH INSURANCE

Insurance helps pay costs when you need care

Insurance protects you from high costs when something bad happens. No one plans to get sick or hurt, but most people need to get treated for an illness or injury at some point, and health insurance helps pay these costs. You buy health insurance to protect you when you need medical care.

When you understand how health insurance works, it helps you be an informed consumer so you can find coverage that fits your needs.

What is health insurance?

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

Even when you need care that costs more than you pay in premiums and deductibles, insurance will cover the care you need. A standard health insurance policy also gives you access to preventive care to keep you healthy, like vaccines and check-ups. Many plans also cover 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? Having health insurance can help protect you from unexpected costs like these.

Your insurance policy will show what types of care, treatments and services are covered, including how much the insurance company will pay for different treatments in different situations.

What you pay for health insurance

You'll usually pay a premium every month for health insurance, 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 insurance 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 before your insurance coverage starts (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.