

# Making The Most of your Insurance 365 Days a Year

Look inside for  
money saving  
tips, key terms  
and FAQs.

## Essential Health Benefits

### Defined by the Affordable Care Act

These categories of coverage ensure care in qualifying health plans.

- ✚ Emergency services and hospitalization
- ✚ Laboratory services
- ✚ Ambulatory or outpatient services
- ✚ Pregnancy, maternity and newborn care
- ✚ Pediatric services, including pediatric dental and vision
- ✚ Preventive and wellness services
- ✚ Chronic disease management
- ✚ Mental health and substance abuse treatment
- ✚ Prescription drugs, including brand name and generic medications
- ✚ Rehabilitative, habilitative services and medical devices

**GET YOUR RECOMMENDED  
—HEALTH SCREENINGS—  
and ANNUAL CHECKUPS**

## Health Insurance Matters

If you are healthy it is difficult to foresee potential illness or injury, and even more difficult to predict the costs of future health problems. But it's important to remember that health insurance—unlike car or home insurance—does not *just* help you to pay for an unexpected disaster. Health plans provide vital benefits intended to help you maintain good health and enjoy life.

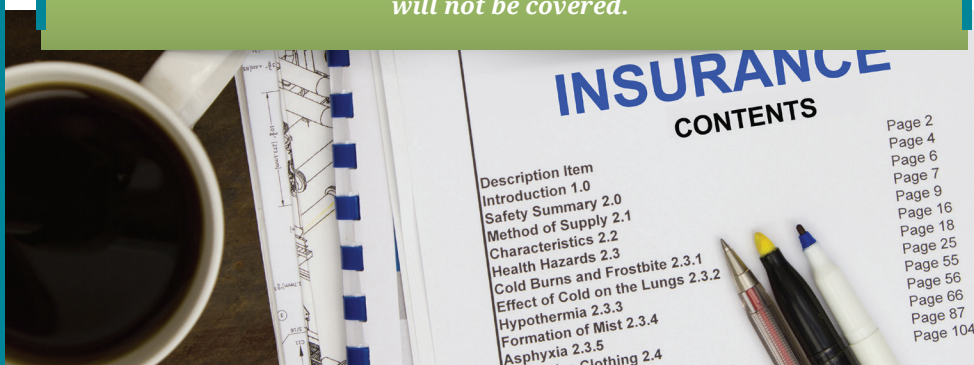
Health insurance is ultimately a contract between you and a health insurer to pay some or all of your healthcare costs in exchange for a monthly premium payment. The kind of coverage you

have—that is, the amount your insurance company is willing to pay for certain healthcare expenses—will vary depending on the insurance policy you've selected.

With a health insurance policy, you are *not* penalized for using your coverage throughout the year—and are actually encouraged to seek regular checkups and preventive care during the year.

Unlike other types of insurance, your rates are not determined by annual usage and claims cannot affect future benefits.

*Keep your coverage current by paying your premiums on time. If you allow your coverage to lapse, your medical costs will not be covered.*



## What are Specialty Pharmacies?

If you have a chronic, rare or long-term condition that requires medication, you may be required to have certain prescriptions filled by a specific pharmacy network or a mail-order prescription program. Medications that require special storage or handling, are given by injection or infusion, need to be taken on a strict schedule, or require close monitoring for side effects are typically filled by specialty pharmacies. **Specialty medicines cost more than more common medicines and often require prior authorization from the insurance company.** All prescriptions require you to pay the total amount owed prior to receiving the medication. If you are required to use a specialty pharmacy, a billing coordinator will work with you and your providers to streamline the process.

## Reading Your Insurance Card

Take your insurance identification card with you whenever you seek care. This ID card will come in the mail or will be available electronically after you enroll in a health benefit plan.

- 1 The health policy member number (this number is unique to your policy) will be referenced on all correspondence.
- 2 Brief out-of-pocket cost breakdown, which may include the required co-payments for office visits, specialty, urgent or emergency care and prescriptions. This information does not take into consideration your deductible.
- 3 Telephone numbers and addresses to use when you have questions, need help filing claims or seek prior authorization.
- 4 Effective date of coverage.

## Frequently Asked Questions

### Q What do I do if I can't pay for my medications?

- A If you are struggling to afford your medication costs, programs may be available to help you:

**Discount Cards:** If the prescription you are filling is a brand-name medication, ask the pharmacist if there is a manufacturer's coupon you can use. Lots of times, drug manufacturers offer discount or coupon cards which can lower the co-pay for your medication to a much more affordable rate.

**Free Drug Programs:** If your medication is denied or off-formulary you are responsible for the entire cost. Many manufacturers offer free drug programs or low-cost options specifically for those without coverage which use income for eligibility.

**Co-Pay Assistance Organizations:** These programs provide direct financial support to underinsured patients, even if you have government-sponsored insurance like Medicare, Medicaid, or Tricare. If approved (based on medical and financial qualifications), the program can help with your out-of-pocket costs related to medication expenses.

### Q Can I get help paying my medical bills?

- A If you receive a bill from a hospital or provider that you can not pay, contact the billing office to find out if they have financial assistance or a charity care program. The Affordable Care Act mandates that all non-profit hospitals offer some type of financial assistance program. These programs look at your income, assets, and household size and can lower your bills based on their eligibility. Most help on a sliding scale and your bill can be reduced by 100%.



### Q What if I have more than one health benefit plan?

- A You may have coverage from more than one health insurance plan. For example, spouses may have coverage for themselves and each other under their workplace plans. Older employees who are still working may have both Medicare and employer-sponsored coverage. Retired employees may have both retiree insurance through their most recent employer and Medicare coverage.

If you have more than one active policy, every claim filed will undergo a review process to determine which health insurance company should be the primary or secondary payer. Once the primary plan pays its portion of the allowable charges on covered services the remaining balance is submitted to the secondary payer for consideration under their benefit plan.

Health Access		Coverage
MEMBER NAME: Wylie Coyote		4 EFFECTIVE DATE: 01/22/2345
MEMBER NUMBER: 123456789 01 1		
GROUP: Warner Brothers		
GROUP NUMBER: 12345679		
CO-PAY: \$25		DRUG CO-PAY GENERIC: \$10 NAME BRAND: \$50
SPECIALIST CO-PAY: \$35		
XRAY/LAB BENEFIT: \$250 2		
3 CLAIMS/INQUIRES: 1-777-777-7777		







## Save Money Through Prior Authorizations

Your health plan may require you or your medical provider to get a prior authorization or precertification *before* you receive certain services. Services that often require prior authorization include routine or planned hospital admissions, home health or infusion therapy and some outpatient services. **If you don't get prior authorization, the service or medication may cost you more or may not be covered at all.** If you are in doubt about whether a service or treatment is covered, call the customer service number listed on your health insurance card.


In the end, it is your responsibility as the policy holder to know what your policy requires.

**Always submit  
preauthorizations and  
pre-approval paperwork!**

## Understanding Your Explanation of Benefits (EOB)

Every time you receive care from a provider or file a claim for services received, your insurer will prepare you an "Explanation of Benefits." This form is *not a bill*. It explains what medical

treatments and/or services were provided and the amount the insurance company will pay towards any covered charge. It is important to take note of the following information on your EOB:



Member Name: Wylie Coyote  
Address: 12 Beep Beep Road  
City, State, Zip: Coyote Falls, WB 88888

Group Name: Warner Brothers  
Group Number: 123456789  
Date Paid: 2/28/2020

1 Patient name: Coyote, Wylie  
Patient Number: 123456789 01

1 Provider: Bunny, Buggs M.D. (in your plan)  
Claim Number: 12257A68R

2 Date	3 Service Description	4 Billed Amount	4 Allowed Amount	5 Plan Paid	Your Discounts	Co-Pay	Deductible	Coinsurance	Not Covered	5 Total you Owe	6 Remark Code
10/15/2019	Venipuncture (36415)	\$29.99	\$22.00	\$22.00	\$7.99	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	066
10/15/2019	Office Visit (99213)	\$150.00	\$80.00	\$0.00	\$70.00	\$30.00	\$50.00	\$0.00	\$0.00	\$80.00	01, 41
Total		\$179.99	\$80.00	\$32.00	\$79.99	\$30.00	\$50.00	\$0.00	\$0.00	\$80.00	

Benefit Applied Amount Remaining Annual Limit

Individual Deductible \$356.75 \$1,143.25 \$1,500.00

Individual in-Network Out-of-Pocket Maximum \$406.75 \$2,593.25 \$3,000.00

066 - You don't pay the "Your discount" amount. This is a benefit to using doctors/facilities in our plan  
01 Deductible amount  
41 Discount agreed to in Preferred Provider contract\*

Customer Service: 1-777-777-7777

5 You owe \$80.00 to Bunny, B, M.D. This value includes amounts you may have already paid at time of service.  
THIS IS NOT A BILL

## Starting the Conversation on Billing Issues



The first step to dealing with problems is to keep your medical and financial paperwork organized. That way, if you experience problems, you'll be able to provide a complete description of the problem you're facing. Always **keep written notes with the date, name, title, and phone number of the person** you spoke with. *Remember your goal is to get them to help you.* Stay calm; be polite and patient, but also persistent. If you don't understand, ask for clarification and continue until you fully understand.

**Keep all of your health  
information and documents  
in one place.**

1 Verify that the names of the patient and provider seen are accurate

2 Verify date for the service performed

3 Review the brief description or procedure code of the service performed

4 Review the billed amount as well as the allowed amount for the service

5 Review the amount the insurance paid as well as the amount the patient is responsible for paying within plan structure

6 Review the remark code explaining more about costs, charges and paid amounts for your visit

The information presented within the EOB should make it easy to match bills from providers and ensure accuracy.

# Words That Impact Your Bill



## Deductible

The amount you pay for medical expenses before the insurance plan begins to cover any additional expenses. For example, if you have a \$1,000 deductible, this means you will have to pay \$1,000 in out-of-pocket costs before your insurance company pays its portion for a covered service. Premiums do not count toward meeting your deductible.

## Premium

The amount you must pay for your health insurance plan to remain active. If you have insurance through the workplace, your employer may pay a portion of your premium on your behalf as part of your employee benefits package.

## Out-of-Pocket Maximum

This is the highest amount of money you will have to pay during your plan year. It includes the money you spent on the deductible, co-insurance, and co-pays. Once you reach this limit, the insurance company will pay 100% of the allowable costs for all covered benefits. Out-of-pocket maximum is higher than your deductible and does not include medication costs or services that are listed as excluded within your plan language. Today, most plans have separate medication and medical out-of-pocket maximums.

## Formulary

A list of medications drugs covered by a plan's prescription drug benefits. The formulary is usually divided into tiers or levels of coverage based on the type or usage of the medication. Each tier will have a defined out-of-pocket cost or percentage that the patient must pay before receiving the drug. Not all medications will be covered under the formulary for a specific plan.

## Allowed Amount

The negotiated rate your insurance company and provider have agreed upon for a particular service when completed within your insurance network. Your co-payments and co-insurance will be based on this amount.

## Preauthorization

Your insurance plan may require prior approval for certain services, drugs or equipment to consider any charges. Preauthorization is not a guarantee that the insurance plan will cover the cost of the service.



## Know Your Plan, Save Your Wallet

**R**eading and understanding your insurance plan's key words and phrases will help you uncover ways to control costs.

- **Covered Benefits** A comprehensive medical policy contains several areas of coverage; however, no plan will cover every available health service or product. Before you seek care, become familiar with the covered services identified in the plan language. You may be surprised to find some services you need are not covered or are only covered with approved pre-authorization.

- **Non-Covered Benefits & Exclusions** It's important to read and become familiar with the section of your health policy that lists the limitations and exclusions. Your insurance company will not pay for services found in this section. Typical limitations or exclusions may include eye exams and contacts, dental care, fertility treatment, cosmetic surgery and alternative or complementary care (such as massage therapy). Some plans will limit coverage for treatments the insurer considers unproven. This can include supplies, procedures, therapies

or devices considered experimental or investigational.

- **Pharmacy Benefits** In order to fill a prescription drug, most insurers require a co-pay (a fixed cost) or co-insurance (a percentage of the cost) paid beforehand. These costs can vary greatly depending on which tier level the medication is classified on within the plan drug formulary. The higher the tier level (tier levels usually range from 1 to 5), the higher the out-of-pocket cost associated with that medication. You may also have to meet a pharmaceutical deductible amount before your insurance begins paying its share toward the cost of your medications. Generics are usually on lower tiers and can save you money, if available.

If you need a medication that is not included on the formulary, you can request that your doctor contact the health plan to explain the medical need for you to take a specific medication. If your request is denied, you have the right to appeal your health plan's decision.

**NO INSURANCE PLAN**  
— will pay —  
for **EVERYTHING**

*Keep in mind that it's OK to ask about costs when you're considering treatment options. Some treatments may be less costly and just as effective as others.*



# The Ins and Outs of Health Insurance



Qualifying health insurance guarantees you a minimum amount of healthcare coverage for each type of medical service you may encounter, including doctor visits, prescription drugs, hospital stays, chronic medical care and/or surgery. When seeking care, be aware of the benefits available through your health plan. If you chose a short-term health plan, you may not have access to all the services you might expect from a traditional, comprehensive plan, and may be limited in the types of care and providers you can access.

*Treatment for specific complaints are not covered under the preventive care benefit, even if addressed during an otherwise preventive appointment.*

Certain key elements appear in all qualifying healthcare plans:

## PRIMARY CARE

Includes basic healthcare services, usually delivered by physicians and trained medical personnel who practice family medicine, pediatrics or internal medicine. A primary care physician is your main healthcare provider and usually your first point of contact. This physician will deliver preventive services and may refer you to specialists.

## SPECIALTY CARE

Extends beyond primary care to medical fields such as surgery, cardiology or oncology. Specialists are doctors who have trained in specific medical or treatment areas to gain a detailed level of expertise.

## URGENT CARE

Same-day clinics that can handle a variety of injuries and conditions that require care but are not serious enough to require an emergency room. They offer a wide range of services for common illnesses that are not considered a true emergency, including severe sore throats, minor sprains, and cuts requiring stitches.

## EMERGENCY CARE

Is required for any medical condition that poses an immediate danger to a person's life or health. Head injuries, weakness, paralysis or persistent chest pain are true emergencies and are among those conditions that require emergency care.

## PREVENTIVE CARE

Testing, screenings and immunizations, well-baby care, children's vision exams, periodic prostate exams, pap smears and mammograms are all examples of commonly covered preventive care services. The ACA requires that most insurance plans provide preventive services without deductibles, co-payments, or co-insurance payments from you, allowing you to participate in these services without cost.

# How is My Plan Structured?

Whether you are enrolled in a group or individual plan, understanding the way your plan works can help you use your benefits.

**Health Maintenance Organization (HMO)** or **Exclusive Provider Organization (EPO)** plans provide medical services in a specific geographic area, based on contracted rates with the providers being paid a predetermined amount. HMOs require that you select a primary care physician (PCP) who is responsible for managing your healthcare. If you need a diagnostic service or care from a specialist, your PCP must provide you with a referral to a network provider. If you choose to go to a doctor outside of your HMO's network for scheduled care, you will pay all of the cost.

**Preferred Provider Organizations (PPO) and Point of Service (POS)** plans provide coverage to members similarly through a predefined network of healthcare providers but are generally more flexible than HMOs. For example, you are not required to have a referral to see a network specialist. However, if you choose to go out of network for services, you are responsible for paying the difference between what the plan has determined to be their negotiated rate and what the provider charges.

**High Deductible Health Plans (HDHP)** have lower premiums and a higher yearly deductible than a traditional health plan. These plans appeal to healthy people who cannot or don't want to pay large monthly premiums for benefits. Preventive care is covered at no cost, but other services must be paid by the insured until the deductible is met before the insurance company contributes.

One advantage of a HDHP is the ability to contribute a certain amount of pre-tax dollars to a **Health Savings Account (HSA)** in your name. Most people deposit the savings from lower monthly premiums into their HSA. These funds can be used to cover the cost of medical care until the deductible is met and insurance begins to pay.

**Government-sponsored** plans like Medicare, Medicaid or military benefits operate under a combination of plan designs. Medicare Advantage plans are structured as HMOs or PPOs, whereas Traditional Medicare allows you to go to any provider that accepts Medicare. Generally, Medicaid functions as an HMO plan and benefits vary by state.

## Health Insurance Money Saving Tips

- 1 Choose In-Network Providers** – Know where to go for care. Use the emergency department for a life-threatening situation but use your in-network providers for all other health-related issues.
- 2 Call Your Insurance Company with Questions** – Read Your EOB, ask questions and take notes. Pay attention to codes you don't understand and ask for definitions. Be sure to compare your EOB to your bill and double-check the dates of service to make sure the amounts match and previous payments are documented.
- 3 Take Advantage of Preventive Services** – Most plans must cover certain preventive services without requiring payment from you. This is true even if you have not yet met your deductible, as long as you see a network provider for services.
- 4 Practice Ways to Improve Health and Lower Costs** – Good advice tells us all to eat better, exercise more, limit alcohol intake and quit smoking. In addition to these health basics, get immunizations and screenings when recommended, and don't put off seeing a doctor when you need one.
- 5 Be Proactive if You are Unable to Afford Your Care** – Stressing about how to pay for healthcare costs can make a chronic condition worse, or cause you to delay seeking care. If you are feeling overwhelmed, inquire about payment plans or charity care programs. Community resources can range from help with practical expenses and medical supplies to co-payment and premium assistance, counseling services and legal help. If you ask for help, many providers will discuss a payment plan or offer solutions that may help you pay for your care.
- 6 Choose Generic Medication When Possible** – The U.S. Food and Drug Administration requires that generic drugs be as safe and effective as brand-name drugs. They have the same dosage, intended use, effects, risks, safety and strength as the original drug. The main difference is generic drug manufacturers have fewer costs associated with developing and marketing. The cost savings are passed on to you when you use the generic instead of the name brand.

## A Trend in Treatment: Personalized Medicine

Genetic testing and personalized medicine are rapidly evolving as the future of medical treatment. Genetic testing not only helps identify an individual's risk for developing a certain disease or condition, but it can also provide information on how best to treat a condition. In addition to cancer, personalized medicine is driving the development of new treatments for complex diseases such as diabetes, heart disease, hepatitis C and Alzheimer's disease, which are thought to be caused by a combination of genetic and other factors.

While we are still learning about the benefits, personalized medicine allows doctors to prescribe targeted treatment or drugs based on your specific genetic makeup. For example, many unique tumor biomarkers are being studied through clinical trials determining whether a patient's cancer has the characteristics to respond to a specific treatment. This has been shown to provide better health outcomes, save the patient from many unnecessary and unpleasant side effects, and avoid additional costs.

Talk to your insurance company about which genetic tests and treatment options are covered in your plan.

### Featured Resource - National Financial Resource Directory

Sometimes even with insurance, you need additional healthcare or financial support. The National Financial Resource Directory can help you identify nonprofit and community organizations that work to help patients overcome challenges surrounding healthcare access and affordability. Visit our directory at [patientadvocate.org/financial](http://patientadvocate.org/financial) for more information.

