

Ea\$y Money – Health Insurance

What it is: Healthcare is expensive and it's difficult to predict how much you'll spend on it each year. Health insurance protects you from paying the full cost of medical care if you are injured or sick. It can cover expensive medical costs and common services like annual check-ups and recommended health screenings and preventive care services. We also know that there is a link between having health insurance and getting better health care. Research shows that people with health insurance are more likely to have a regular doctor and to get care when they need it.

How it works: Health insurance is similar to car insurance or home insurance. You choose a plan and agree to pay a certain rate, or premium, each month. In return, your health insurer agrees to pay a portion of your covered medical costs. Payments by your health insurance are typically based on discounts they negotiate with doctors and hospitals.

Why it matters: When you're choosing a health insurance plan, you'll want to look at more than the premiums and deductibles to evaluate plan options. Ask yourself what is most important in terms of your health care needs. How do you currently obtain services and specialty care? Is it important to you to have access to certain doctors and hospitals? Examine the co-insurance amount as well, and then decide which deductible, premium and co-insurance mix is the best option for you. One way to lower premiums is to share a greater portion of the costs with the insurance provider. Generally, the lower your monthly premium, the higher your deductible will be.

Who should care? Some insurance agents will help customers enroll in plans offered in the Health Insurance Marketplace. They only receive a tiny commission for helping clients, but they do it anyway, because they want to serve their customers well. Many individuals and families now qualify for discounts, for example if you are a family of four you may qualify for lower premiums and out-of-pocket costs for Market Place Insurance if your 2015 yearly income is between \$23,850 and \$59,625. Make sure your insurance agent shows you the plans available in the Health Insurance Marketplace at Healthcare.gov and explains how the premium tax credits work. To find a health care navigator or certified application counselor near you, go to www.getcoveredamerica.org/locator.

For more information

- Healthcare Marketplace <https://www.healthcare.gov/>
- Iowa State University Extension and Outreach Money Blogs tips
<http://blogs.extension.iastate.edu/moneytips/>
- Iowa State University Extension and Outreach website at
www.extension.iastate.edu/humansciences/
- National Association of Insurance Commissioners, www.naic.org