

JARGON SIMPLIFIED

Health Insurance

Aspects of Any Health Insurance Plan



Premium

Cost of your insurance.

Deductible

Amount you pay before the insurer pays any expenses. The higher the deductible, the lower your premiums will generally be.

Copayment

Amount you pay **every time you visit the doctor.**

Coinsurance

Percentage you are responsible for after you pay the whole deductible amount.

Maximum Out of Pocket

The maximum amount you will pay annually, no matter how high the bills are, before an insurer pays all remaining bills.

Most Common Plans to Choose From

PPO

(preferred provider organization):

Uses a network of doctors to provide lower costs, but you can also choose out-of-network doctors at a higher cost.

HMO

(health maintenance organization):

Focuses on preventive care and assigns a primary care physician as your "gatekeeper."

Other Benefits that May be Available in Your Plan

Flexible Spending Account

(FSA): Account you contribute to tax free to pay for medical expenses. If you don't use money you contribute for the year, you lose it.

Health Savings Account

(HSA): Account you contribute to tax free to pay for medical expenses, but is only available for high deductible plans.