

## Beginning with the Basics

It helps to have an idea of the basic questions you need to ask when searching for the right health insurance plan. Let us help.

### DEDUCTIBLE

Having a deductible with your plan is fairly standard. The deductible is the amount of money you have to pay before insurance begins to pay benefits. For example, if you have a \$1,500 deductible, you will need to pay the first \$1,500 of health care expenses. After that, depending on your plan, insurance will begin to pay a percentage of health care costs. The amount of your deductible can affect your premiums. Lower deductible plans usually have higher premiums, so be sure to take that into consideration when choosing a plan. Keep in mind that deductibles apply to each person covered by the plan. So if you have family coverage, each person on the plan must meet his or her own deductible. There is a maximum family deductible, however. Here are a few questions to ask about deductibles when you are choosing your individual insurance plan:

1. How much will my deductible be?
2. What deductible options are available?
3. How will the deductible affect my premium?

### COPAY

Many insurance policies feature a fixed dollar amount - or copay - for certain services such as office visits. The amount of your copay can vary and there may be limitations linked to it, which may affect your overall costs. Be sure to take the time to ask about your copay, since it can help you budget for your medical care. For example, a lower copay may mean a higher premium. Here are a few questions for you to ask:

1. Will I have a copay under this policy and how much?
2. What different copay options are available?
3. Are things like lab work or X-rays included in my copay?
4. Am I limited to a certain number of office visits each year?
5. Is the office visit copay different for specialists?

### COINSURANCE

While copay and coinsurance sound similar, they work differently. Coinsurance is the amount you are responsible for after you pay your deductible. A copay is a fixed amount, while coinsurance is a percentage. So let's say your coinsurance is 80% / 20% (your health plan pays 80% and you pay 20%) and you have a medical procedure that costs \$100. That means the insurance company will pay \$80 and you'll pay \$20. Here are a few questions to consider when asking about coinsurance:

1. What is my coinsurance portion? 80% / 20%, 100% / 0%, etc.?
2. Do I pay the same percentage for out-of-network visits?
3. Will coinsurance go into effect before my deductible is met?
4. How will my coinsurance percentage affect my premium?

## ANNUAL OUT-OF-POCKET MAXIMUM

If you ever have a serious injury or illness, your out-of-pocket costs (things like hospital charges, medications, leg braces, etc.) can add up. Fortunately, there's an annual out-of-pocket maximum for your coinsurance, deductible and sometimes your prescription drugs, depending on the plan. Once you meet the maximum, your insurance company will start to pay covered costs at 100%. So if you ever have an extended hospital stay or illness, you can have peace of mind that your finances are protected. Here are a few questions to ask about your out-of-pocket maximum:

1. What's my out-of-pocket maximum?
2. Once I pay my maximum, will I still pay a copay?
3. Are prescriptions included in my out-of-pocket maximum?

## PRESCRIPTION DRUG BENEFITS

While many insurance policies include coverage for prescription drugs, some do not. It's important to know what prescription drug benefits (if any) are included before you invest in a particular plan. You'll also want to know how your plan requires that you pay for them. Some offer prescription drug copays, some put limits on brand name drugs and some only cover drugs up to a certain annual amount. Here are a few questions to ask about prescription drug coverage:

1. Does this plan cover prescription drugs?
2. Is there a copay for prescription drugs? If so, is it different for generic and brand name drugs?
3. Are all prescription drugs covered or is there a limited list?

## WELLNESS BENEFITS

Early detection of a disease can have a huge impact on your health. Your wellness benefits are there to cover the preventive measures you take to help keep you healthy, like cancer screenings, mammograms, physicals, etc. Some policies cover 100% of these services. Here are some questions to ask about your wellness benefits:

1. Are wellness benefits covered differently than other services?
2. Is there a limit on what the policy will pay for wellness benefits?
3. What types of services are covered by wellness benefits?



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