

Introduction

Some things in life are simple. Understanding your health benefits isn't always one of them.

We're here to help make it easier by explaining how many health plans work.

Things to Know

Your health plan provides coverage to help you pay for medical care and prescriptions.

A "**premium**" is the amount you pay out of your paycheck for coverage. In return, your health plan provides coverage when you need care and helps you stay healthy.

The amount that's covered depends on whether your doctor is in your health plan's "**network**." Network doctors have agreed to charge a certain amount for their services, so you will likely pay less when you use them.

Health plan terms can get a little confusing. But there are a few more you need to know:

- You might have a "**copay**" – the set amount you'll pay each time you visit the doctor.
- There's the "**deductible**" — the amount you spend each year before your health plan starts to pay.
- There's "**coinsurance**" — the percentage you pay for services once you reach your deductible.
- And there's the "**out-of-pocket limit**" — the most you'll pay for network services during the year.

Pharmacy

There are also a few important words you should know when visiting the pharmacy.

Generic drugs are just as safe and effective as their brand-name counterparts, but usually cost a lot less.

Non-preferred brand-name drugs will cost you the most and there's almost always a more affordable option.

And finally, **preferred brand-name drugs**. They cost more than generics but less than non-preferred brand-name drugs.

So, keep these in mind to help you get the most out of your pharmacy benefits.

Choosing Coverage

There are two common types of health plans:

- **Traditional health plans** typically come with a higher premium and lower deductible.
- And **high-deductible health plans** may have a lower premium and a higher deductible.

Some high-deductible health plans also come with a special account:

- A **health reimbursement account** or **HRA** – is funded by your employer and is used to help you pay for eligible medical expenses - like a doctor's visit or x-ray.
- A **health savings account**, or **HSA** is a bank account that lets you put money aside, tax-free, to save and pay for health care expenses now or in the future.

Be sure to check with your employer to see if your health plan also offers other benefits like vision and dental coverage or wellness programs.

Getting Care

To help keep you healthy, health plans offer **100 percent coverage for routine preventive care** like a mammogram or annual wellness exam.

And if you get sick or injured, you have options. You can:

- Visit your primary care physician – who knows you and your health history best.
- See a doctor anywhere, anytime with a Virtual Visit on your mobile device or computer.

- Stop by a convenience care clinic located in many retail stores.
- Visit a nearby urgent care center. They're often open late and on weekends with no appointment necessary.
- And remember, if it's a true emergency, go to the nearest hospital emergency room or call 911.

All of these options provide quality care but costs will vary, so be sure to consider which option provides the care you need at the best price.

Conclusion

We hope this video has helped you understand how health plans work, so you'll now feel more confident using your own plan.