

The logo for Smart Choice Health Insurance. The word "SMART" is in a large, blue, serif font. Below it, "CHOICE" is in a black, serif font, with a black circle containing a white checkmark replacing the letter "O". Underneath "CHOICE" is the word "HEALTH INSURANCE" in a smaller, black, serif font, followed by a copyright symbol (©).

# SMART CHOICE<sup>®</sup> HEALTH INSURANCE

## My Smart Choice Health Insurance Workbook

UNIVERSITY OF  
MARYLAND  
EXTENSION

*Solutions in your community*



Cooperative Extension  
COLLEGE OF AGRICULTURE &  
NATURAL RESOURCES

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**For additional health insurance information, questions and answers go to: [extension.umd.edu/insure](http://extension.umd.edu/insure)**

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**There are three important questions to answer when making a Smart Choice health insurance decision.**

## Key Questions I Need to Answer

**Why?**

- **Why do I need health insurance?**
- **Why is it important?**

**What?**

- **What do I need and want?**
- **What are my choices?**

**How?**

- **How much will it cost?**
- **How much can I afford?**

# Smart Choice

Did you know that most consumers dread making decisions about health insurance? They are not really sure if they have the right amount of health insurance coverage.

Most are not comfortable with the terms and rules of health insurance plans. Many consumers don't have confidence in their decisions. Does this sound like you?

Health insurance is very important, but choosing the best plan for you or your family is complicated. Health insurance is expensive.

This workbook offers tools to give you confidence and help you build your smart shopping skills.

In the workbook you'll find these tools you can use:

- ✔ **Definitions** you will need to understand health insurance— throughout the workbook and in a list of terms at the end.
- ✔ **Sample Insurance plans** to show how insurance plan information will look - page 11
- ✔ **Worksheets** to help you make your own Smart Choice:
  - **My Health Insurance Needs** to help you identify you and your family's health care needs - page 6
  - **My Health Insurance Plan Comparison** to help you compare plans and estimate costs - page 16
  - **My Monthly Spending Plan** to help you plan for covering health care costs - page 25

**Let's get started on my Smart Choice.**

### **Making A Smart Choice Health Insurance Decision**

#### **Check list**

- Make a list of your questions before it's time to choose your health plan.
- Review important words to know and understand, including deductible, out-of-pocket costs, copayment, and coinsurance.
- Complete the worksheet **My Health Insurance Needs**.
- Explore options for Health Insurance Plans:
  - \_\_\_ Job-based
  - \_\_\_ Direct individual purchase
  - \_\_\_ Other Private Insurance
  - \_\_\_ Health Insurance Marketplace
  - \_\_\_ Medicare
  - \_\_\_ Medicaid
  - \_\_\_ Children's Health Insurance Program (CHIP)
  - \_\_\_ TRICARE<sup>®</sup> health care program for Uniformed Service members, retirees and their families
- Complete the **My Health Insurance Plan Comparison** worksheet.
- Gather financial information and complete **My Monthly Spending Plan** to determine your health insurance spending plan.
- Compare your health insurance options to determine which plan best fits your needs and spending plan.
- Make a SMART CHOICE Health Insurance decision.**

## How Do I Know How Much Health Insurance I Will Need?

Knowing how you will use **health care services** over the next year would help you know how much insurance to buy. But since you can't always predict health care needs, you can make good decisions by looking at the health services you use now.

The first worksheet in this Smart Choice Workbook **My Health Insurance Needs** will help you put together all the details about the health services you currently use.

As you fill in the worksheet, keep in mind that the Health Insurance Marketplace insurance plans for individuals and small business include, **Essential Health Benefits** and **Preventive Services**. Under any plan sold in the consumer or small business **health insurance marketplace**, participating (in-**network**) healthcare providers must offer preventive services without a copayment or coinsurance charge. If you use a provider outside of the plan's network (out-of-network) however, you'll have to pay a copayment and higher coinsurance.

If you have an employer sponsored health plan and are not sure if your plan covers **preventive services**, go to the health insurance company's website or talk to your employer's human resources representative.

To complete the **My Health Insurance Needs** worksheet you will need to think about how you and your family use **health care services**. Look back through a calendar or your health records to make a best estimate about which doctors you have seen and how often. If you haven't kept records, you can ask your doctors or pharmacist for this information. If you already have health insurance, the insurance company will have this information. Contact a customer service representative or go online to review your account.

✔ **Now you are on your way to making a Smart Choice health insurance decision for you and your family.**

### Important Words to Know

**Health care services** –Health care is delivered by practitioners in medicine, optometry, dentistry, nursing, pharmacy, emergency medical, allied health, and other providers.

**Essential health benefits**- must include items and services within at least the following 10 categories: ambulatory patient services; emergency services; hospitalization; maternity and newborn care; mental health and substance use disorder services, including behavioral health treatment; prescription drugs; rehabilitative and habilitative services and devices; laboratory services; preventive and wellness services and chronic disease management; and pediatric services, including oral and vision care.

**Preventive Services**—most health plans must cover a set of preventive services like annual check-ups, shots and screening tests at no out of pocket cost to you.

**Health Insurance Marketplace** - A web site where individuals, families, and small businesses can learn about their health coverage options; compare health insurance plans based on costs, benefits, and other important features; choose a plan; and enroll in coverage.

**Network** - the facilities, providers and suppliers your health insurer or plan has contracted with to provide health care services.

### SECTION 1: My Family's Doctors Visits

*This section will help you identify you (and your family's) health care services needs.*

- 1) Do we have a **primary care provider**?  Yes  No
- 2) Do we see any **specialists**? Examples: Allergist, OBGYN, optometrist  Yes  No
- 3) How many times did my family and I visit the doctor? Please fill in the chart below.



*For new insurance plans and Marketplace plans, many preventive services for your family are now covered with no extra costs to you !*

Person	Doctors Seen	Why You See Them	How Often Seen
<i>Example</i>	Dr. Smith Dr. Sanchez (dentist) Dr. Jones (specialist)	Yearly exam and flu shot Twice yearly cleaning Yearly eye exam	1 time 2 times 1 times
<i>Me</i>			
<i>Spouse/Partner</i>			
<i>Child</i>			
<i>Child</i>			
<i>Child</i>			

#### Important Words to Know

**Primary Care Provider** – A doctor, nurse practitioner, clinical nurse specialist or physician assistant, as allowed under state law, who provides, coordinates or helps a patient access a range of health care services.

**Specialist**—A physician specialist focuses on a specific area of medicine or a group of patients to diagnose, manage, prevent or treat certain types of symptoms and conditions.

**SECTION 1: My Family’s Doctors Visits—continued**

*Below are some questions to help you figure out how often you and your family visited the doctor in the past year. Use the information from the chart on page 6 to fill in the blank space for questions 4 through 8.*

- 4) About how many times did we each visit our family doctor in the past year? \_\_\_\_\_
- 5) About how many times did we visit specialists in the past year? \_\_\_\_\_
- 6) In the past year, how many times did we go to **urgent care**? \_\_\_\_\_
- 7) In the past year, how many times did we go to the emergency department (ER)? \_\_\_\_\_
- 8) How many people do I need to buy insurance for? (You, spouse or partner, and child(ren). \_\_\_\_\_

**Important Words to Know**  
**Urgent care:** Care for an illness, injury or condition serious enough that a reasonable person would seek care right away, but not so severe as to require emergency room care.

**SECTION 2: My Family’s Prescriptions**

*This section can help you fill out the next worksheet called “My Health Insurance Plan Comparison.”*

- 9) Do we take any **prescription drugs**?       Yes       No

*Use this chart to help you figure out which prescription drugs your family takes and how much they cost.*

**Prescription drugs:**  
 Medicines that by law require a prescription from the doctor

I take:	How often do I get refills?	How much do I have to pay?
<i>Example: Synthroid</i>	<i>Quarterly</i>	<i>\$20</i>
My spouse or partner and children take:	How often do they get refills?	How much do I have to pay?

### SECTION 3: My Family's Health Care Changes for the Coming Year

*This section helps you think about new health situations you may have to plan for the coming year.*

10) Is there anything that I know is coming up in the next 12-18 months that I did not have to plan for last year?  Yes  No

*The chart below can help you think about your health care needs for the coming year. You can then put all these needs together in one place. This can help you see if and where you need to plan for different insurance coverage.*

New situation I will have	What kind of insurance coverage will I need?
<i>Example: I want to have a baby</i>	<i>Obstetrics and gynecology, hospital stay, prenatal medicine</i>
<i>Example: Child turning 27</i>	<i>Cannot be covered anymore on my insurance</i>
<p><b>Will my current health insurance coverage be enough?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	



## SECTION 4: Prioritizing My Family's Health Insurance Needs

11) Based on my answers to question 10, I may want to pay attention to the items below when choosing a health insurance plan. To help identify the best plan for me and my family, I would rank from 1 (most important) to 5 (least important) the following :

- The likely changes in health care needs for me and my family in the next 12-18 months.
- The doctors my family and I see are included in the **network** of the health insurance plan.
- The prescription drugs that my family and I need are covered by the insurance.
- The monthly (or yearly) cost of insurance monthly (this would be the **premium**).
- The amount of **out-of-pocket costs** including emergencies, **deductible, copayment or coinsurance**.

## SECTION 5: Summary of Insurance Coverage Needs

12) Given my family's health history, my health insurance needs include coverage for (check all that apply):

- |  |  |
|--|--|
| <input type="checkbox"/> Health              | <input type="checkbox"/> Vision                    |
| <input type="checkbox"/> Dental              | <input type="checkbox"/> Mental Health             |
| <input type="checkbox"/> Preventive Services | <input type="checkbox"/> Substance Abuse Treatment |
| <input type="checkbox"/> Prescription Drugs  | <input type="checkbox"/> <b>Maternity Coverage</b> |

### Important Words to Know

**Premium** - The amount that must be paid for your health insurance plan. Premiums may be shared between you and your employer.

**Out-of-pocket costs** – Your expenses for medical care that aren't reimbursed by insurance. Out-of-pocket costs include deductibles, coinsurance, and copayments for covered services plus costs for services that aren't covered.

**Deductible** - amount you owe for covered health services before your health insurance plan begins to pay.

**Copayment** – A fixed amount you pay for a covered health service, usually when you get the service.

**Coinsurance** - Your share of the costs of a covered health care service, calculated as a percent (for example, 20%) of the allowed amount for the service.

**Maternity Coverage** - The coverage for prenatal screenings, delivery and after birth well baby/mother visits.

**Benefits** - The health care items and services covered by a health insurance plan. Covered benefits and excluded services are defined in the health insurance plan's coverage documents.

**Allowed Amount** - The maximum dollar amount on which an insurance payment is based for covered health care products and services. This may also be called 'eligible expense,' 'payment allowance' or 'negotiated rate.' If your health provider charges more than the allowed amount, you may have to pay the difference.

**Balance Billed Charges** - The charges you will be responsible for when a provider bills you for the difference between the provider's charge and the allowed amount. A preferred provider may not balance bill you for covered services.

## What is a Summary of Benefits and Coverage statement?

All health insurance plans must have a Summary of Benefits and Coverage statement in an easy to read format that includes information on the costs, health services provided and other important plan features. This format will be consistent across all plans so you can easily comparison shop. As you review the summary of benefits from your employer, the Marketplace or insurance provider, be sure to consider your health care service needs by comparing page 9 of the this workbook with the health care services provided by the plan.

## What Are the Usual Health Plan Options and How Are They Different?

There are five main types of health insurance plans. Traditional fee-for-service plans are at one end of the scale, and Health Maintenance Organizations (HMOs) and Exclusive Provider Services (EPO's) are at the other end. Preferred Provider Organizations (PPOs) and Point-Of-Service plans (POS) combine features of both fee-for-service plans and HMOs, but are generally considered managed care plans. It's important to understand the differences when making a Smart Choice Health Insurance decision.

## Understanding Types of Plans

**Fee-for-Service Plans** - A type of insurance plan in which health care providers receive a fee for each service provided to insured patients. These plans normally cover hospitalization, outpatient care, and doctor services in or out of the hospital. You select the healthcare providers for office visits or treatments. You are then billed for the service by the health care provider and then reimbursed by the insurance company, or you can "assign" direct payment by the insurance company to the provider. These plans typically require you to pay premiums, deductibles, and coinsurance. Limits on certain coverage or exclusions may apply.

**HMO - Health Maintenance Organization** - A type of plan that usually limits coverage to care from doctors who work for or contract with the HMO. It generally won't cover out-of-network care except in an emergency. May require you to live or work in its service area to be eligible for coverage. Often provides integrated care and focuses on prevention and wellness.

**EPO - Exclusive Provider Services** - A managed care plan where services are covered only if you go to doctors, specialists, or hospitals in the plan's network (except in an emergency). Similar to HMO.

**POS - Point of Service** - A type of plan in which you pay less if you use doctors, hospitals, and other health care providers that belong to the plan's network. POS plans may require you to get a referral from your primary care doctor in order to see a specialist.

**PPO - Preferred Provider Organizations** - A type of plan that contracts with medical providers, such as hospitals and doctors, to create a network of participating providers. You pay less if you use providers that belong to the plan's network but you can use doctors, hospitals, and providers outside of the network for an additional cost.

## How Does Health Insurance Cover my Medical Bills?

Understanding how insurance works and what it will cost you with **deductibles, out-of-pocket maximums or limits, copayments, and coinsurance** can be a little tricky. Here is an example of how and by whom costs are covered over a year.

This example is taken from the Glossary of Health Coverage and Medical Terms found at <http://www.dol.gov/ebsa/pdf/SBCUniformGlossary.pdf>. March 2013

### Important Words to Know

**Out of Pocket Maximum or Limit**—The most you pay during a policy period (usually a year) before your health insurance or plan begins to pay 100% of the allowed amount. This limit never includes your **premium, balance-billed charges,** or health care your health insurance plan doesn't cover or allow.

Some health insurance plans also don't count your **copayments, deductibles, coinsurance payments,** out-of-network payments, or other expenses toward your out-of-pocket maximum. In Medicaid and CHIP, (Children's Health Insurance Program) premiums are counted toward the out-of-pocket maximum.

## How You and Your Insurer Share Costs - Example

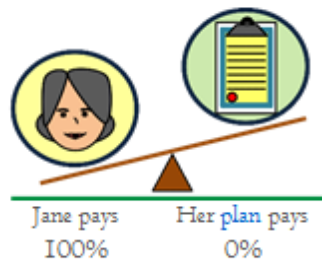
Jane's Plan Deductible: \$1,500

Co-insurance: 20%

Out-of-Pocket Limit: \$5,000

January 1<sup>st</sup>  
Beginning of Coverage  
Period

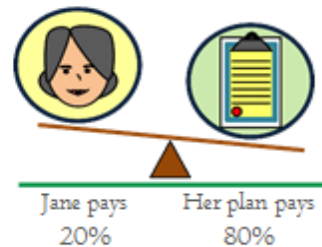
December 31<sup>st</sup>  
End of Coverage  
Period



**Jane hasn't reached her \$1,500 deductible yet**

Her plan doesn't pay any of the costs.  
Office visit costs: \$125  
Jane pays: \$125  
Her plan pays: \$0

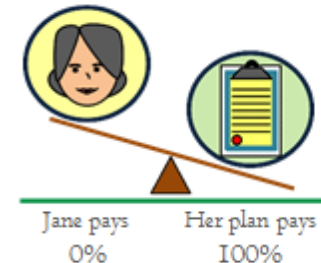
more costs



**Jane reaches her \$1,500 deductible, co-insurance begins**

Jane has seen a doctor several times and paid \$1,500 in total. Her plan pays some of the costs for her next visit.  
Office visit costs: \$75  
Jane pays: 20% of \$75 = \$15  
Her plan pays: 80% of \$75 = \$60

more costs



**Jane reaches her \$5,000 out-of-pocket limit**

Jane has seen the doctor often and paid \$5,000 in total. Her plan pays the full cost of her covered health care services for the rest of the year.  
Office visit costs: \$200  
Jane pays: \$0  
Her plan pays: \$200

## What Are The Marketplace Health Plan Categories ?

Plans in the Marketplace are primarily separated into 4 health plan categories - Bronze, Silver, Gold, or Platinum - based on the percentage the plan pays of the average overall cost of providing essential health benefits to members. The plan category you choose affects the total amount you'll likely spend for essential health benefits during the year. All plan types (EPO/HMO, POS and PPO) will be available on the Health Insurance Marketplace. If you select a POS plan, for example, you will be responsible for more of the health costs at the bronze level than at the platinum level. Comparing Marketplace cost tiers allows you to select the plan that best fits your health care needs and your spending plan.

For more information on how the Health Insurance Marketplace works, contact your local Marketplace office or go to [www.healthcare.gov](http://www.healthcare.gov).

## How Do I Compare Health Insurance Plans?

Whether the plans you are considering are purchased from the Healthcare Market place or through your employer, the **My Health Insurance Plan Comparison**

worksheet is a tool you can use to organize and compare the information about coverage and costs for the plans. Important criteria are on the left side of the worksheet. There is a place to make notes for three different plans you may want to compare. Remember to think about *your* family's health care needs as you fill in this worksheet. Refer back to your **My Health Insurance Needs** worksheet for information as you complete the plan comparisons.

This tool will help you estimate the out-of-pocket costs for each plan you are considering. You will find most of the information you will need in the Summary of Benefits provided by the insurance company. You also may need to get some information from the company's website or by calling the company.

If the plan you are considering doesn't include important medical services that your family may needs, you may need to choose another plan OR buy an additional plan that will covers the necessary medical services. For example, adult dental or vision services are not covered in some plans. So you may need to purchase a supplemental plan.

 **Let's get started.**

## Description of the Tiers

**Bronze-** the health insurance company will cover 60% of health service costs for an average person; your coinsurance on average will be 40% of costs. Plans in this tier have the lowest premiums but the highest out-of-pocket costs.

**Silver-** the health insurance company will cover 70% of health service costs for an average person; your coinsurance on average will be 30% of costs. Plans in this tier have low premiums and high out-of-pocket cost.

**Gold-** the health insurance company will cover 80% of health service costs for an average person; your coinsurance on average will be 20% of costs. Plans in this tier have high premiums and low out-of-pocket costs.

**Platinum-** the health insurance company will cover 90% of health service costs for an average person; your coinsurance on average will be 10% of costs. Plans in this tier have the highest premiums and the lowest out-of-pocket costs.

From: <http://www.insure.com/articles/healthinsurance/health-plans-2014.html>

August 2013

## My Health Insurance Plan Comparison

This section will help you compare plans and decide which plans provide affordable access to the doctors and services your family needs. Some information is provided in the summary of

benefits information for each plan. However, you may need to contact the insurance company website or representative for more detailed information.

Section 1: Types of Plans and Accessing Medical Services	Option 1 Plan Name:	Option 2 Plan Name:	Option 3 Plan Name:
What type of insurance plan? POS—Point of Service PPO— Preferred Provider Organizations HMO—Health Maintenance Organization EPO—Exclusive Provider Services	<input type="checkbox"/> POS <input type="checkbox"/> PPO <input type="checkbox"/> EPO/ HMO	<input type="checkbox"/> POS <input type="checkbox"/> PPO <input type="checkbox"/> EPO/ HMO	<input type="checkbox"/> POS <input type="checkbox"/> PPO <input type="checkbox"/> EPO/ HMO
What is the <b>health plan category</b> ? Information about health plan categories is found on page 12 of this workbook.  <b>Grandfathered—See section 3 on page 15 for more information.</b>	<input type="checkbox"/> Employer <input type="checkbox"/> Bronze <input type="checkbox"/> Silver <input type="checkbox"/> Gold <input type="checkbox"/> Platinum <input type="checkbox"/> Grand-fathered	<input type="checkbox"/> Employer <input type="checkbox"/> Bronze <input type="checkbox"/> Silver <input type="checkbox"/> Gold <input type="checkbox"/> Platinum <input type="checkbox"/> Grand-fathered	<input type="checkbox"/> Employer <input type="checkbox"/> Bronze <input type="checkbox"/> Silver <input type="checkbox"/> Gold <input type="checkbox"/> Platinum <input type="checkbox"/> Grand-fathered
What is the <b>coinsurance</b> for services?	% _____	% _____	% _____
Do ALL my providers (doctors, hospitals, specialists, pharmacies, etc.) take this plan? (Look on the insurance company’s web site or call to find out.)	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Can I choose my medical service providers?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Do I need <b>referrals</b> for specialists?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Do I need <b>preauthorization</b> for medical procedures?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Does this plan accept the doctor’s billing or do I have to pay upfront and get the plan to reimburse me?	<input type="checkbox"/> Accept <input type="checkbox"/> Pay up front	<input type="checkbox"/> Accept <input type="checkbox"/> Pay up front	<input type="checkbox"/> Accept <input type="checkbox"/> Pay up front

### Important Words to Know

**Referral** - A written order from your primary care doctor for you to see a specialist or to get certain medical services. For HMOs, you need to get a referral before you can get medical care from a specialist. If you don’t, the plan may not pay for the services.

**Preauthorization** - A decision by your health insurer that health care service, treatment plan, prescription drug or durable medical equipment is medically necessary. The plan may require preauthorization for certain services before you receive them, except in an emergency.

## My Health Insurance Plan Comparison

This section helps you determine which plans provide coverage for the necessary health services where and when you need them. Refer to Section 5 of **My Health Insurance Needs** for the summary of health care services you and your family use now or plan to use. Some information will be provided in the plan

summaries provided by the insurance companies. However, you may need to go to the insurance company's website or contact a representative to get the additional information or answer questions specific to your situation. You will want to review what the plan's **out-of-pocket limit** will be.

Section 2: Coverage	Option 1 Plan Name:	Option 2 Plan Name:	Option 3 Plan Name:
This plan covers these services (Covered essential and other services):  Mark off the services this plan provides by making an "X" next to the service.	<input type="checkbox"/> Medical <input type="checkbox"/> Vision <input type="checkbox"/> Prescription <input type="checkbox"/> Dental <input type="checkbox"/> Maternity <input type="checkbox"/> Mental Health <input type="checkbox"/> Substance Abuse	<input type="checkbox"/> Medical <input type="checkbox"/> Vision <input type="checkbox"/> Prescription <input type="checkbox"/> Dental <input type="checkbox"/> Maternity <input type="checkbox"/> Mental Health <input type="checkbox"/> Substance Abuse	<input type="checkbox"/> Medical <input type="checkbox"/> Vision <input type="checkbox"/> Prescription <input type="checkbox"/> Dental <input type="checkbox"/> Maternity <input type="checkbox"/> Mental Health <input type="checkbox"/> Substance Abuse
This plan has these <b>excluded services</b> : (Review your family's needs (page 6) and compare them to the excluded services. Be sure the plan includes all necessary services.)			
Is there a waiting period on maternity benefits and how long is it?	<input type="checkbox"/> Yes <input type="checkbox"/> No How long? ____	<input type="checkbox"/> Yes <input type="checkbox"/> No How long? ____	<input type="checkbox"/> Yes <input type="checkbox"/> No How Long? ____
Are there any special limits or exclusions on maternity benefits?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
What is the amount of the <b>out-of-pocket maximum or limit</b> ?			
If I travel <b>out-of-network</b> , does this plan cover care outside my local area? If I travel out of country or out of state, does this plan provide coverage?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No
Does the company have a high number of consumer complaints? (To find out, call your state's Insurance Commissioner's Office).	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

### Important Words to Know

**Excluded Services -** Health care services that your health insurance or plan doesn't cover or pay for.

**Out-of-network -** The facilities, providers and suppliers your health insurer or plan has not contracted with to provide health care services. There will be higher copayment and coinsurance costs if you choose to receive products and services from out-of-network providers.

## My Health Insurance Plan Comparison

This section lays out other things to consider if you have an employer based plan that is considered a **Grandfathered Plan**. Because grandfathered plans do not need to provide all essential benefits, it is important to refer to Section 5 of **My Health Insurance Needs** for the summary of health care services you and your family use to be sure these services are covered.

As you look at different plans, you will find some information in the plan summaries. For other information, you may need to go to the insurance company website or call the representative. If you buy insurance through your job, you may also want to talk about your options with your employer's health benefits representative.

Section 3: Other considerations if you are comparing Grandfathered Health Plans	Option 1 Plan Name:	Option 2 Plan Name:	Option 3 Plan Name:
Do I have to take a health questionnaire to get the plan?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
How many months do I have to wait before I get medical coverage? (This might be important for new employees. )			
If I (we) have a <b>pre-existing condition</b> , will the health insurance policy cover me (us)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Is there a waiting period before pre-existing conditions will be covered and how long is it?	<input type="checkbox"/> Yes <input type="checkbox"/> No How long?____	<input type="checkbox"/> Yes <input type="checkbox"/> No How long?____	<input type="checkbox"/> Yes <input type="checkbox"/> No How long?____
Is there a waiting period on maternity benefits and how long is it?	<input type="checkbox"/> Yes <input type="checkbox"/> No How long?____	<input type="checkbox"/> Yes <input type="checkbox"/> No How long?____	<input type="checkbox"/> Yes <input type="checkbox"/> No How long?____
Are there any special limits or exclusions on maternity benefits?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

### Important Words to Know

**Grandfathered Plan** - A group health plan that was created or an individual health insurance policy that was purchased on or before March 23, 2010. Grandfathered plans are exempted from many changes required under the Affordable Care Act. A health plan must disclose in its plan materials whether it considers itself to be a grandfathered plan . Note: If you are in a group health plan, the date you joined may not reflect the date the plan was created. New employees and new family members may be added to grandfathered group plans after March 23, 2010.

**Pre-existing condition** - A condition, disability or illness (either physical or mental) that you have before you enroll in a health plan.

## My Health Insurance Plan Comparison

This section identifies additional considerations if you have an employer based plan that is considered a **Grandfathered Plan**. Because grandfathered plans do not need to provide all essential benefits, it is important to refer to Section 5 of **My Health Insurance Needs** for the summary of health care services you and your family uses to be sure these services are covered.

As you look at plans, some information will be provided in the plan summaries provided by the insurance companies. However, you may need to see the insurance company website or call the company for additional details. You may also want to discuss your options with your employer's benefits representative.

Section 4: Health Insurance Plan Costs		Option 1 Plan Name:	Option 2 Plan Name:	Option 3 Plan Name:
<b>\$ Annual premium amount</b>		\$____ per month x 12 months = \$_____	\$____ per month x 12 months = \$_____	\$____ per month x 12 months = \$_____
How much is your <b>copayment</b> ?  Use the estimated number of visits from the <b>My Health Insurance Needs</b> to help complete this section.	Primary Care Doctor Office Visit Copayment	\$_____ per visit x ____ visits = \$_____	\$_____ per visit x ____ visits = \$_____	\$_____ per visit x ____ visits = \$_____
	<b>Specialist</b> Copayment	\$_____ per visit x ____ visits = \$_____	\$_____ per visit x ____ visits = \$_____	\$_____ per visit x ____ visits = \$_____
	Urgent Care Copayment	\$_____ per visit x ____ visits = \$_____	\$_____ per visit x ____ visits = \$_____	\$_____ per visit x ____ visits = \$_____
	Emergency Dept. (ER) Copayment	\$_____ per visit x ____ visits = \$_____	\$_____ per visit x ____ visits = \$_____	\$_____ per visit x ____ visits = \$_____
	Hospitalization Copayment:	\$_____ per visit x ____ visits = \$_____	\$_____ per visit x ____ visits = \$_____	\$_____ per visit x ____ visits = \$_____
How much is the annual <b>deductible</b> ?	Medical and Hospital	\$ _____	\$ _____	\$ _____
<b>\$ Medical Premium and Doctor Visit Costs</b>	<b>Out of pocket costs</b> you may pay yearly (For each plan, add the total from each row)	\$ _____	\$ _____	\$ _____



## My Health Insurance Plan Comparison

Some health insurance plans cover the cost of **prescription drugs**, while others do not. Given your family’s medical service needs, it will be important to determine if you:

- 1) need prescription drug coverage and
- 2) have adequate insurance to cover these costs.

This section enables you to calculate the out-of-pocket costs for

prescription drugs. For health insurance plans that include **prescription drug coverage**, use **Row 1** and determine your out-of-pocket costs. If you need to purchase additional insurance use **Row 2** (yellow rows). Your bottom line **\$ Total Prescription Drug Costs** will include premium plus copayments.

Section 5: Prescription Drug Costs		Option 1 Plan Name:	Option 2 Plan Name:	Option 3 Plan Name:
Prescription Drug Costs  Find out costs by checking online or by calling the company; ask about the <b>formulary</b> .	<b>Row 1:</b> The cost of prescriptions is covered minus copayments.	\$ ____ copayment per prescription x ____ number of prescriptions filled = \$ _____	\$ ____ copayment per prescription x ____ number of prescriptions filled = \$ _____	\$ ____ copayment per prescription x ____ number of prescriptions filled = \$ _____
	<b>Row 2: I need to buy a separate plan.</b> Premium Costs  <b>Copayment</b>	\$ ____ monthly premium x 12 = \$ ____ /year  \$ ____ copayment per prescription x ____ number of prescriptions filled = \$ _____	\$ ____ monthly premium x 12 = \$ ____ /year  \$ ____ copayment per prescription x ____ number of prescriptions filled = \$ _____	\$ ____ monthly premium x 12 = \$ ____ /year  \$ ____ copayment per prescription x ____ number of prescriptions filled = \$ _____
<b>\$ Total Prescription Drug Costs</b>	What I may pay yearly for prescriptions (For each column, use the totals from either Row 1 or 2.)	\$ _____	\$ _____	\$ _____

**Important Words to Know**

**Prescription Drug Coverage** - Health insurance or plan that helps pay for prescription drugs and medications.

**Formulary**- A list of prescription drugs covered by a prescription drug plan or another insurance plan offering prescription drug benefits. Also called a drug list.

## My Health Insurance Plan Comparison

Not all health insurance plans include **Vision Coverage**. Given your family's medical service needs, it will be important to

- 1) determine if you need vision coverage and
- 2) have adequate insurance coverage to cover these costs.

This section provides a place for you to calculate the out-of-pocket

costs for vision services. For health insurance plans that include vision services and products, use **Row 1** and determine your out-of-pocket costs. If you need to purchase additional insurance use **Row 2** (yellow row). Your bottom line Total Vision Cost will include \$ Total Vision Service Costs plus \$ Total Vision Product costs.

Section 6: Vision Care		Option 1 Plan Name:	Option 2 Plan Name:	Option 3 Plan Name:
<b>Vision Coverage</b>	<b>Row 1:</b> The cost of vision services is covered. I only have copayments.	\$ ____ copayment per Doctor visit X ____ number of visits = \$ ____	\$ ____ copayment per Doctor visit X ____ number of visits = \$ ____	\$ ____ copayment per Doctor visit X ____ number of visits = \$ ____
	<b>Row 2:</b> I need to buy a separate plan. <b>Premium</b>  <b>Copayment</b>	\$ ____ monthly premium x 12 = \$ ____ /year  \$ ____ copayment per doctor visit x ____ number of visits = \$ ____	\$ ____ monthly premium x 12 = \$ ____ /year  \$ ____ copayment per doctor visit x ____ number of visits = \$ ____	\$ ____ monthly premium x 12 = \$ ____ /year  \$ ____ copayment per doctor visit x ____ number of visits = \$ ____
<b>\$ Vision Services Costs</b>	What I may pay yearly for Vision Services (For each column, insert the totals from either Row 1 or 2.	\$ ____	\$ ____	\$ ____
Frames, lenses, and contacts	Estimated costs for glasses frames, lenses, contacts, and other vision products.	\$ ____ frames \$ ____ lenses \$ ____ contacts \$ ____ products	\$ ____ frames \$ ____ lenses \$ ____ contacts \$ ____ products	\$ ____ frames \$ ____ lenses \$ ____ contacts \$ ____ products
<b>\$ Vision Product Costs</b>	What I may pay yearly for glasses, frames, or lenses (Add up your estimate for vision products.)	\$ ____	\$ ____	\$ ____

### Important Words to Know

**Vision or Vision Coverage** - A type of health benefit that at least covers a part of vision care, like eye exams and glasses. Vision coverage may be offered either as part of a comprehensive medical plan, or through a “stand-alone” vision plan. However, stand-alone vision plans may not be offered through the Health Insurance Marketplace.

## My Health Insurance Plan Comparison

Not all health insurance plans include **dental coverage**. With what you know about your family's health care needs, think about:

- 1) if you need dental coverage and
- 2) if your plan covers these costs

This section gives you a place to calculate the out-of-pocket-costs for these dental services. For health insurance plans that include

dental coverage, use **Row 1** to figure out your out-of-pocket costs. If you need to buy more insurance to cover dental care, use **Row 2** (yellow rows). The bottom line \$ Dental Costs, will include your premium plus your copayments.

Section 7: Dental Care		Option 1 Plan Name:	Option 2 Plan Name:	Option 3 Plan Name:	Important Words to Know
<b>Dental Coverage</b>	<b>Row 1:</b> The cost of dental services is covered; but I do have copayments.  How much is the annual deductible?  What is the annual limit?	\$ ____ copayment per Dentist visits X ____ number of visits = \$ ____  \$ _____  \$ _____	\$ ____ copayment per Dentist visits X ____ number of visits = \$ ____  \$ _____  \$ _____	\$ ____ copayment per Dentist visits X ____ number of visits = \$ ____  \$ _____  \$ _____	<b>Dental Coverage -</b> Benefits that help pay for the cost of visits to a dentist for basic or preventive services, like teeth cleaning, X-rays, and fillings. In the Health Insurance Marketplace, dental coverage is available either as part of a comprehensive medical plan, or by itself through a "stand-alone" dental plan.
	<b>Row 2:</b> I need to buy a separate plan? Premium Costs  Copayment for Dentist visits  How much is the annual deductible?	\$ ____ monthly premium x 12 = \$ ____ /year  \$ ____ copay per Dentist visits X ____ number of visits = \$ ____  \$ _____	\$ ____ monthly premium x 12 = \$ ____ /year  \$ ____ copay per Dentist visits X ____ number of visits = \$ ____  \$ _____	\$ ____ monthly premium x 12 = \$ ____ /year  \$ ____ copay per Dentist visits X ____ number of visits = \$ ____  \$ _____	
<b>\$ Dental Costs</b>  What I may pay yearly on dental services. For each column, insert the totals from either Row 1 or 2.	\$ _____	\$ _____	\$ _____		

## My Health Insurance Plan Comparison

This page will help you add up your health, vision and dental insurance costs. Go back to the previous pages and copy the total costs for each type of health care.. Look at the green row or the row that has a \$ in front of it. Once you fill in the numbers, add up

each column to find the **Total Estimated Yearly Health Care Costs** for each plan option you are comparing. Once you know the total costs for each plan you will be able to make a Smart Choice health insurance decision.

Section 8: Cost Summary		Option 1 Plan Name:	Option 2 Plan Name:	Option 3 Plan Name:
Insurance Premium	What I may pay yearly for insurance premium	\$ _____	\$ _____	\$ _____
Doctor Costs and Deductibles	What I may pay yearly for doctor visits and	\$ _____	\$ _____	\$ _____
Prescription Drug Costs	What I may pay yearly for prescriptions	\$ _____	\$ _____	\$ _____
Vision Services Costs	What I may pay yearly for Vision Services	\$ _____	\$ _____	\$ _____
Vision Product Costs	What I may pay yearly for glasses/frames/lenses	\$ _____	\$ _____	\$ _____
Dental Costs	What I may pay yearly for dental services.	\$ _____	\$ _____	\$ _____
<b>Total Estimated Yearly Health Care Costs</b>	For each column, add up the green boxes to get the total out-of-pocket costs for each plan.	\$ _____	\$ _____	\$ _____

### Important Words to Know

**Total Estimated Yearly Health Care Costs** - The total amount you may have to pay for health care. It includes premiums, deductibles, copayments, coinsurance and all out-of-pocket costs. This total is estimated before you actually have the coverage and have health expenses under the coverage.

## My Health Insurance Plan Comparison

Now that you have calculated the yearly cost for several health insurance plans on **My Health Insurance Plan Comparison** worksheet the next step is to estimate the monthly costs for the insurance plans you have compared. Using the figures in the green

rows or are designated by a large \$ sign, copy the total costs into the column labeled yearly cost. Divide this number by 12 to estimate the monthly costs. Use this page to calculate the Total Monthly Costs for each plan.

Section 9: Estimating Monthly Medical Expenses		Option 1:		Option 2:		Option 3	
		Yearly Cost	Yearly Cost divided by 12 = Monthly Cost	Yearly Cost	Yearly Cost divided by 12 = Monthly Cost	Yearly Cost	Yearly Cost divided by 12 = Monthly Cost
<b>Insurance Premium</b>	What I may pay yearly for insurance premiums	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
<b>Doctor Costs and Deductible</b>	What I may pay yearly for doctor visits and deductibles	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
<b>Prescription Drug Costs</b>	What I may pay yearly for prescriptions	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
<b>Vision Services Costs</b>	What I may pay yearly for Vision Services	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
<b>Vision Product Costs</b>	What I may pay yearly for frames, lenses, contacts	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
<b>Dental Costs</b>	What I may pay yearly on dental services	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
<b>Total Monthly Health Care Costs</b>	What I may pay monthly for health care	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

Now you can begin to narrow down your choices to make a Smart Choice Health Insurance decision. The next worksheet, **My Monthly Spending Plan**, helps you organize your monthly costs for taxes, savings, living expenses and debt payments. Use your monthly bills, bank statements and credit card statements to estimate your monthly expenses. Try not to guess your expenses. By using

accurate figures you'll get a clear picture of your finances. This will help you look at the whole financial picture. Later you can determine how expenses can be adjusted so you can cover your health care costs. The monthly estimates for health care costs can be added to the **My Monthly Spending Plan** worksheet so you can decide which plan you can afford.

## My Monthly Spending Plan

Monthly Income (Gross pay before any deductions)	
Wages/salary #1	
Wages/salary #2	
Other sources:	
<b>Total Income</b>	
Deductions taken from your pay	
Federal taxes	
State taxes	
FICA	
Social Security	
Medicare	
Life insurance	
Health Insurance	
Disability Insurance	
Flexible Spending Acct	
Retirement Savings	
Other Savings (payroll deduction)	
Other deductions	
<b>Total deductions</b>	

Expenses: Housing	
Rent or Mortgage	
Insurance (Homeowner or Renters)	
Property taxes	
Maintenance/repairs	
<b>Total</b>	
Utilities	
Electric	
Heating oil or gas	
Trash/garbage	
Water and Sewer	
Sewer	
Telephone	
Cable TV	
Internet	
Cell phone	
Other	
<b>Total</b>	

Food	
Groceries	
Food away from home	
School lunches	
Other	
<b>Total</b>	
Transportation	
Car/truck payment	
Car Insurance	
Maintenance/repairs	
Gasoline, oil, etc.	
Other	
<b>Total</b>	
Personal	
Clothing	
Personal Care	
Tobacco/alcohol	
<b>Total</b>	
Family Care	
Child Care or other dependent care	
Personal Allowances	
<b>Total</b>	

## My Monthly Spending Plan

More expenses: Health and Medical	
Insurance premium (not deducted from paycheck)	
Insurance copayments/ coinsurance costs	
Prescriptions	
Over-the-counter medicines	
Vision	
Dental	
Health Savings Acct	
<b>Total</b>	
Educational Expenses	
Tuition	
Sports and organization fees	
School supplies	
<b>Total</b>	
Pet Care	
Pet food	
Pet supplies	
Veterinary services	
Pet care (grooming, boarding, etc.)	
<b>Total</b>	

Entertainment	
Movies, books, etc.	
Vacation	
Hobbies, etc.	
<b>Total</b>	
Gifts & Charitable Contributions	
Gifts for others	
Charitable contributions	
<b>Total</b>	
Credit Payments	
Credit Card # 1	
Credit Card # 2	
Credit Card # 3	
Personal loan payments	
<b>Total</b>	
Additional Savings Goals	
Goal # 1	
Goal # 2	
<b>Total</b>	
<b>Summary</b>	<b>Total Monthly Income</b> \$ _____ <b>Total Monthly Expenses</b> \$ _____ <b>Difference</b> \$ _____

Periodic Expenses	
These expenses come up once or twice a year. Fill in the estimated costs under the month they are due. Add your total and divide by 12 to determine your monthly estimate.	
Jan	
Feb	
Mar	
Apr	
May	
June	
July	
August	
September	
October	
November	
December	
<b>Subtotal</b>	
<b>Subtotal ÷ 12 =</b>	
<b>Total monthly portion of periodic expenses</b>	

## My SMART CHOICE Health Insurance Decision

Congratulations! You have now finished all the steps you need to make an informed SMART CHOICE health insurance decision for you and your family. The **Checklist** on page 4 can help you take another look at those steps.

To make a Smart Choice, review the following worksheets: **My Health Insurance Needs, My Health Insurance Plan Comparison, and My Monthly Spending Plan**. By completing these you will know what you need and can afford based on the different health insurance plans.

Now you can choose the health insurance plan that fits into your spending plan and best fits your needs (from page 9 of this workbook).

If there are two plans that meet your needs and fit into your spending plan, look at what they offer. The most important point is to pick the one that best meets your current and upcoming health care needs and will help cover your financial risks.

If there is a plan that doesn't fit into your spending plan but it meets your health care needs now and for the future, review your spending plan to determine how you might adjust some of your expenses or increase your income to cover the health care costs.

By completing these steps you should feel confident that you've made a Smart Choice Health Insurance decision.



If you have further questions, check out frequently asked questions about health insurance at: <http://extension.umd.edu/insure> or if you'd like to ask a question of a Cooperative Extension professional go to: <https://ask.extension.org/ask>



# Notes

# SMART CHOICE<sup>®</sup> HEALTH INSURANCE

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