

# Understanding Health Insurance and How to Use It

Health insurance helps us get the medical care we need without having to overspend. However, it's not always easy to understand how health insurance works and how to use it.

This guide will help you understand the intricacies of health insurance and help you save money by avoiding unexpected and costly bills, and most importantly, help you get the care that you need.

## What is health insurance?

**Health insurance helps you pay for doctor visits and hospital costs.**

Health insurance protects you from high medical costs, resulting from doctor visits, hospital stays, and certain medications. By learning how your insurance works, you will be able to:

- **Pay less out of your own pocket:** Your insurance might cover most of the cost, so you don't have to pay as much.
- **Avoid surprise bills:** Know what is and isn't covered so you will be able to plan ahead for any medical expenses.

## How does understanding health insurance help you?

**First, learn the basic terms in your health insurance plan.**

Health insurance has some important words you need to know, such as "deductible" and "co-pay." Learning these words can help you:

- **Understand your costs:** Knowing what each term means makes it easier to know how much you'll pay.
- **Avoid confusion:** Knowing what is included in your insurance helps you avoid surprises when you get a bill.

**Health insurance will help you save money.**

Health insurance often works with certain doctors and hospitals called a "network." Going to in-network providers costs less. Understanding this can help you:

- **Save on co-payments:** By going to in-network doctors, you won't have to pay as much out of pocket for each visit.
- **Avoid extra charges:** Choosing an out-of-network provider could cost more, or your insurance might not cover your visit.

**Preventive care is often covered.**

Most health insurance plans cover preventive care, such as vaccines, check-ups, and health screenings — at little or no cost. By understanding what is covered, these benefits can:

- **Keep you healthy:** Regular check-ups can help you catch health issues early, making them easier to treat.
- **Prevent bigger problems:** By staying on top of your health, you'll be less likely to need expensive treatments later.

### You could benefit from additional health benefits.

Many health insurance plans offer extra benefits, such as mental health support, wellness programs, or telehealth (video calls with a doctor). Using these extras can help you:

- **Take care of your health in new ways:** You might find programs for exercise or nutrition that keep you healthy or discover the convenience of visiting with the doctor in the comfort of your own home.
- **Spend less on extra care:** These services are often free or discounted, so they can help you save money.

### Billing will be easier.

Knowing what's included in your insurance plan makes it easier to manage any bills you get. Being informed can help you:

- **Spot billing mistakes:** By knowing what's covered and what isn't, you will easily be able to check that bills are correct.
- **Get claims paid quickly:** Knowing how claims work will make it easier to get the insurance company to pay their portion, so you aren't stuck paying for the entire bill.

### You will be prepared for major health events.

If you or someone in your family undergoes a major medical event, such as a surgery or the birth of a baby, understanding your insurance will help you to be prepared so you can:

- **Get the right care:** Understanding what is covered will make it easier to plan for care before, during, and after an event.
- **Manage follow-up care costs:** Knowing what to expect will make it easier to get the care you need for recovery without having extra expenses.

## In Summary

Learning about your health insurance plan will empower you to take better care of your health and finances and help to ensure that you get the care you need, while avoiding overpayments and preventing unexpected bills. Reaching out to your insurance provider with any questions is also important. By following this guide and learning more about health insurance, you will make a significant difference to not only your health and well-being, but to your finances.