



Smart Choice Health Insurance™ Basics
Dorothy Nuckols, MPH, AFC



Please help! Pre-assessment



Thank you for attending this session today. Before we get started, we would like for you to answer a few questions about the information that you need to make a Smart Choice health insurance decision.

Please place a check (✓) in an answer box for each question. *We do not share your individual answers with anybody!*

As of right now, how confident are you that you ...	Not at all Confident	Slightly Confident	Moderately Confident	Very Confident
Understand health insurance terms?				
Can apply your knowledge and information to make a smart choice health insurance decision?				

1. What is your sex? Male Female Other
2. What is your current age? _____
3. Do you currently have health insurance? Yes No

OVER 

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Today's Goals

- **Understand** why health insurance helps prevent large unexpected health care expenses
- **Learn** what to compare to understand cost and coverage
- **Identify** information needed to make a Smart Choice





Meet Jamie... Like many of us, Jamie is busy with the duties of daily life; managing work and home. Jamie is single, healthy and trying to make ends meet, so health insurance just has not been a priority.

Unfortunately, Jamie accidentally slipped, fell and had to go to the emergency room. This fall was pretty bad and Jamie needed emergency surgery for a broken arm. This became a pretty stressful situation because Jamie was uninsured and had very limited savings. Jamie was preparing to move next month and had saved just enough money for the security deposit and first month's rent.

Like Jamie, each of us has fallen, slipped or tripped. Most of the time we are lucky, but sometimes a fall, slip or trip can result in a broken bone, or worse and the cost of an injury can be surprising. This accident was something that Jamie hadn't planned for; however, Jamie recognized the very real cost of not having insurance when the bill arrived!



Because of this experience, Jamie decided it was time to purchase health insurance but was confused about how to make a decision.



The Cost of a Broken Arm

Hospital Costs

Pharmacy & Drug: \$2396.96	Hospital Supplies: \$2097.70	Emergency Room \$3036.60
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Follow-up (out-patient) with Specialist

Hard Cast: \$500	2 visits: \$200	Diagnostic/X-rays: \$1027.70
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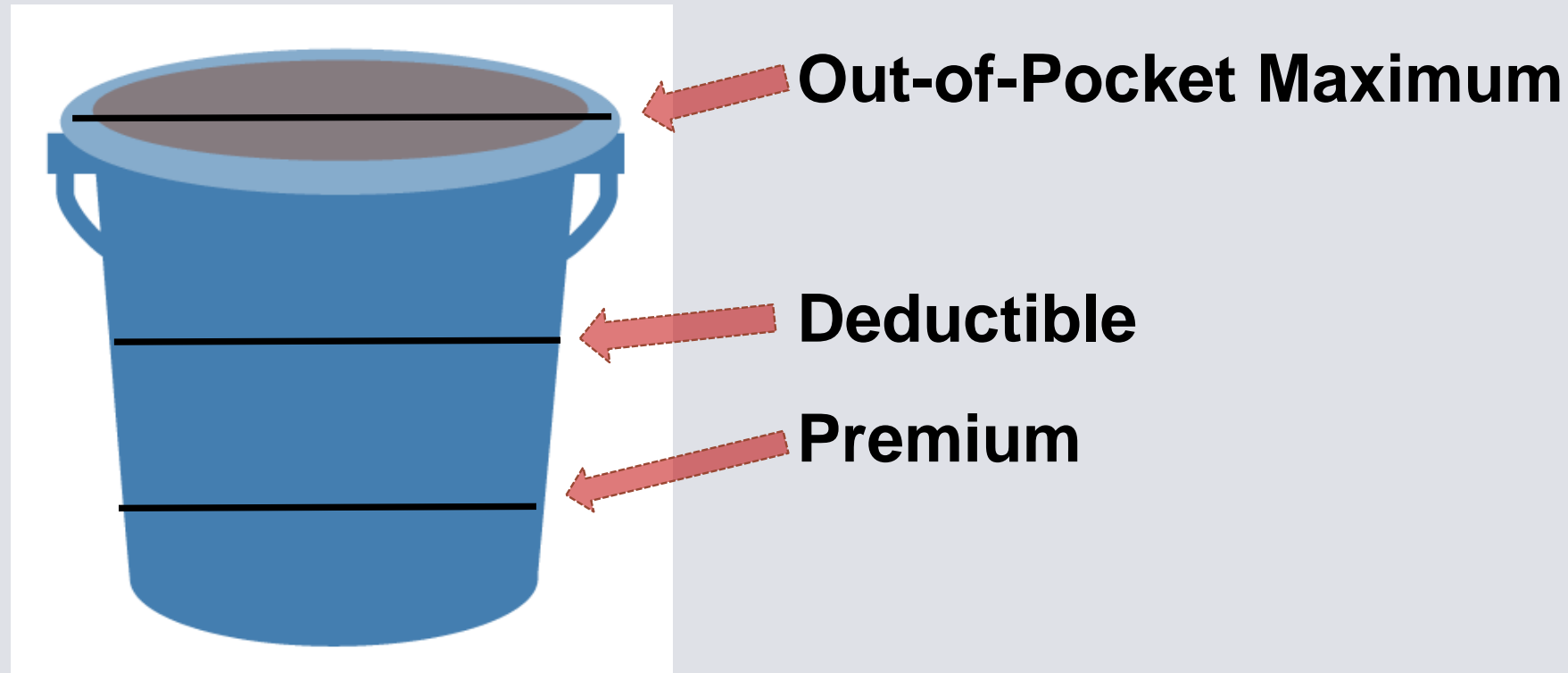


Total Cost without Insurance

\$9,351.96



Making Sense of Out-of-Pocket Health Care Costs



Comparison of Costs: With and Without Insurance



The Cost of a Broken Arm

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Premium (after \$59.57 tax credit)	\$0	\$84.43 monthly \$1013.16 yearly
Deductible	\$0	\$4,000 deductible
	Costs without Insurance	Plan 1—Bronze HMO
Diagnostic Lab & X-Ray	\$1027.70	30% after deductible =\$1027.70
Emergency Department (ER) Services	\$3036.60	30% after deductible =\$2991.59
Primary Care Physician Office visit	\$100	\$30 copay after deductible =\$30
Specialist Office visit (2 visits)	\$200	\$40 copay after deductible =\$80
Hospitalization	\$2097.70	30% after deductible =\$629.31
Outpatient Cast	\$500	30% after deductible =\$150



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Specialist Office visit (2 visits)	\$200	\$40 copay after deductible =\$80
Hospitalization	\$2097.70	30% after deductible =\$629.31
Outpatient Cast	\$500	30% after deductible =\$150
Prescription Copayment	\$2389.96	\$100
Cost of a Broken Arm	\$9351.96	\$5008.60
Out-of-Pocket Maximum	N/A	\$6350 maximum
TOTALS	\$9351.96	\$6,021.76

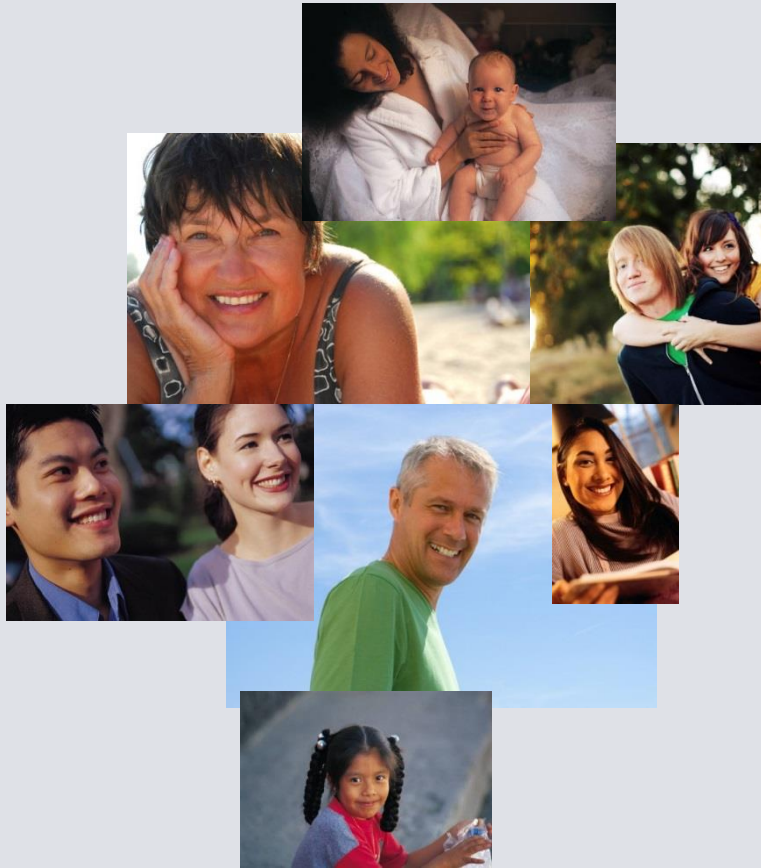
Why?

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

My SMART CHOICE



Why Do I Need Health Insurance?



- Provides peace of mind
- Protects your family's financial future
- Health and wellness services and programs
- Better health outcomes





The Cost of a Broken Arm



Premium (after \$59.57 tax credit)	\$0	\$84.43 monthly \$1013.16 yearly	\$143.90 monthly \$1726.80 yearly	\$242.10 monthly \$2905.20 yearly
Deductible	\$0	\$4,000 deductible	\$900 deductible	\$500 deductible
	Costs without Insurance	Plan 1—Bronze HMO	Plan 2— Silver POS	Plan 3— Gold PPO
Diagnostic Lab & X-Ray	\$1027.70	30% after deductible =\$1027.70	20% after deductible =\$925.54	20% after deductible =\$605.54
Emergency Department (ER) Services	\$3036.60	30% after deductible =\$2991.59	20% after deductible =\$607.32	20% after deductible =\$607.32
Primary Care Physician Office visit	\$100	\$30 copay after deductible =\$30	\$30 copay after deductible =\$30	\$30 copay after deductible =\$30
Specialist Office visit (2 visits)	\$200	\$40 copay after deductible =\$80	\$40 copay after deductible =\$80	\$40 copay after deductible =\$80
Hospitalization	\$2097.70	30% after deductible =\$629.31	20% after deductible =\$419.54	20% after deductible =\$419.54
Outpatient Cast	\$500	30% after deductible =\$150	20% after deductible =\$100	20% after deductible =\$100
Prescription Copayment	\$2389.96	\$100	\$100	\$100
Cost of a Broken Arm	\$9351.96	\$5008.60	\$2262.40	\$1942.40
Out-of-Pocket Maximum	\$0	\$6350 maximum	\$5200 maximum	\$3750 maximum
TOTALS	\$9351.96	\$6,021.76	\$3,989.20	\$4847.60





The Cost of a Broken Arm



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Review the chart information by answering these questions:

How do the charges compare across plans?

What factors contribute to the differences in total costs between plans?

What plan would you pick for Jamie?

What is the value in having insurance?



What?

- **What information do I need to get or find out?**
- **What do I need to compare or consider?**

My SMART CHOICE



My SMART CHOICE Health Insurance Workbook



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My Health Insurance Needs Worksheet



My Health Insurance Needs



SECTION 1: My Family's Doctors Visits

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

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

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 health care provider who focuses on a specific area of medicine or health care.

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



My Health Insurance Plan Comparison Worksheet



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

and Coverage for each plan. However, you may need to contact the insurance company website or customer service 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:	Important Words to Know
What type of insurance plan? EPO—Exclusive Provider Organization HMO—Health Maintenance Organization POS—Point of Service PPO—Preferred Provider Organization	<input type="checkbox"/> EPO <input type="checkbox"/> HMO <input type="checkbox"/> POS <input type="checkbox"/> PPO	<input type="checkbox"/> EPO <input type="checkbox"/> HMO <input type="checkbox"/> POS <input type="checkbox"/> PPO	<input type="checkbox"/> EPO <input type="checkbox"/> HMO <input type="checkbox"/> POS <input type="checkbox"/> PPO	<p>Referral - A written order from your primary care doctor for you to see a specialist or to get certain medical services. Some health insurance plans require a referral before you can get medical care from a specialist. If you do not, the plan may not pay for the services.</p> <p>Preauthorization - A decision by your health insurer that health care service, treatment plan, prescription drug or</p>
What is the health plan category ? Information about health plan categories is found on page 11 of this workbook.	<input type="checkbox"/> Employer <input type="checkbox"/> Bronze <input type="checkbox"/> Silver <input type="checkbox"/> Gold <input type="checkbox"/> Platinum	<input type="checkbox"/> Employer <input type="checkbox"/> Bronze <input type="checkbox"/> Silver <input type="checkbox"/> Gold <input type="checkbox"/> Platinum	<input type="checkbox"/> Employer <input type="checkbox"/> Bronze <input type="checkbox"/> Silver <input type="checkbox"/> Gold <input type="checkbox"/> Platinum	
What is the coinsurance for services?	_____ %	_____ %	_____ %	
Are ALL my providers (doctors, hospitals, specialists, pharmacies, etc.) in the plan's network? (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	



My Monthly Spending Plan



My Monthly Spending Plan



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

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

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



Key Questions I Need to Answer

Why?

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

What?

- What information do I need to get or find out?
- What do I need to compare or consider?

My SMART CHOICE





***Managing Health Insurance and
Resolving Conflicts
Dorothy Nuckols, MPH, AFC®***

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Today we will to explore strategies to:

- ✓ use and manage health insurance to protect your health and your finances
- ✓ resolve health insurance conflicts
- ✓ avoid conflicts in the future



Key Questions I Need to Answer

Why?

- Why do health insurance conflicts happen?

What?

- What steps should I take to resolve health insurance coverage and billing conflicts?

How?

- How can I manage my health insurance to avoid conflicts in the future?

My SMART USE



Why

- **Why do health insurance conflicts happen?**

My SMART USE



Why?

- **Why do health insurance conflicts happen?**



Coverage



Charges



- **Why do health insurance conflicts occur?**



Coverage



Why?

- Why do health insurance conflicts occur?



Coverage

SMART CHOICE | SMART USE
Be smart about health insurance

Why are some claims denied?

Treatment:

- Not offered in plan
- Experimental/Outside Standard of Care
- Not medically necessary
- Out of network



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Why?

- Why do health insurance conflicts occur?



Coverage

SMART CHOICE | SMART USE
Be smart about health insurance

Why are some claims denied?

Patient/consumer:

- Received care without insurance
- Provided incorrect information
- Gave false information



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Why?

- Why do health insurance conflicts occur?



Coverage

SMART CHOICE | SMART USE
Be smart about health insurance

Why are some claims denied?

Provider:

- Coding error
- Clerical error



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Round 1: Claim Denied?

~~XXXXXX~~



Out of Network

1

No Longer in Health Plan

1

Not Part of Plan

1

Clerical Error

1

Not Medically Necessary

1

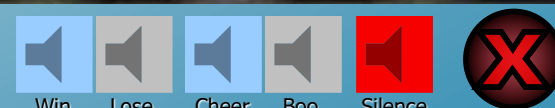
Experimental

1



SHOW QUESTION

HIDE QUESTION



Why?

- Why do health insurance conflicts occur?



Charges

Why?

- Why do health insurance conflicts occur?



Charges

SMART CHOICE | SMART USE
Be smart about health insurance

Unexpected charges on my health care bill

- Balance Billing (Out of Network Care)
- Deductible or Out-of-Pocket-Maximum has not been met
- Medical identity theft/fraud



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Why?

- Why do health insurance conflicts occur?



Charges

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Be smart about health insurance

Other reasons for unexpected costs on your bill.

- Errors
 - Medical coding
 - Clerical
 - Duplicate or extra charges
 - Mistaken identity



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Round 2: Unexpected Costs?

~~XXXXXX~~



Out of Network 1

Duplicate/Extra Charges 1

Deductible Not Met 1

Identity Fraud 1

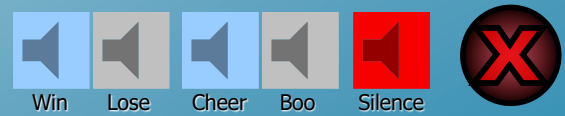
Coding Error 1

Mistaken Identity 1



SHOW QUESTION

HIDE QUESTION



What

- **What steps should I take to resolve health insurance coverage and billing conflicts?**

My SMART USE



What?

- What steps should I take to resolve health insurance coverage and billing conflicts?



Coverage



What do I do first?

1. Contact your health care provider

OR

2. Contact your health insurance provider

Insurance Card

INSURANCE
COMPANY NAME

COVERAGE TYPE

MEMBER NAME: JANE DOE
MEMBER NUMBER: XXX-XX-XXX

EFFECTIVE DATE: XX-XX-XXXX

GROUP #: XXXXXX-XXX-XXX

PRESCRIPTION GROUP #: XXXXX

PCP CO-PAY: \$15.00
SPECIALIST CO-PAY: \$25.00
MEMBER ROOM CO-PAY: \$75.00

PRESCRIPTION CO-PAY
\$15 GENERIC
\$20 NAME BRAND

MEMBER SERVICES: 1-800-XXX-XXXX
CLAIMS/INQUIRIES: 1-800-XXX-XXXX

Phone Number



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What?

- What steps should I take to resolve health insurance coverage and billing conflicts?



Coverage

SMART CHOICE | SMART USE
Be smart about health insurance

What information does your insurance provide to tell you what services are covered AND how to manage disputes?

Where is it found?



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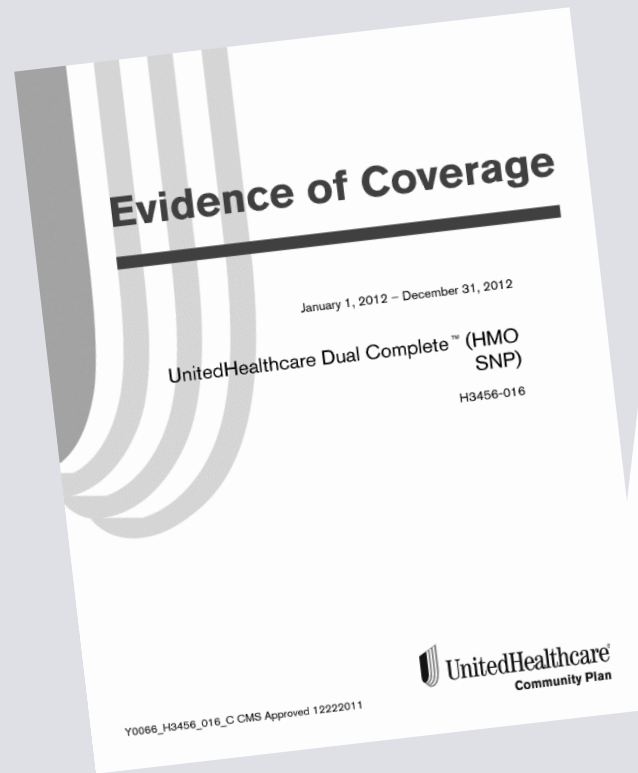


What?

- What steps should I take to resolve health insurance coverage and billing conflicts?



Evidence of Coverage: your insurance contract



Your Benefits	
Preventive Care	17
Emergency Care	18
Urgent Care	21
Ambulance Service (Emergency Medical Transport)	22
Specialist Care	22
Hospital Care	23
Surgery	23
Blood Transfusions and Blood Products	24
Maternity Care	25
Family Planning	25
Mental Health Care	26
Home Health Care	27
Skilled Nursing Facility	28
Hospice Care	29
Lab Tests, Diagnostic Tests, X-rays, and Cancer Screenings	29
Chemotherapy and Radiation	30



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What?

- What steps should I take to resolve health insurance coverage and billing conflicts?



Coverage

SMART CHOICE | SMART USE
Be smart about health insurance

What are the steps in a health insurance claim and appeal?

File a health insurance claim (15 or 30 days, 72 hours)

Insurance provider approves or denies the claim

Internal appeal* (30 or 60 days)

External review* (60 days, 60 days, 4 days)



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How?

- **How can I manage my health insurance to avoid conflicts in the future?**

My SMART USE



How?

How can I manage my health insurance to avoid conflicts in the future?

SMART CHOICE | SMART USE
Be smart about health insurance

- Check your provider network
- Get an up-front estimate
- Review evidence of coverage for covered services
- Check pre-approval requirements



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How?

How can I manage my health insurance to avoid conflicts in the future?



- File a claim before receiving care
 1. File a claim with your insurance company
 2. Receive approval or denial. If denied,
 3. File an internal appeal
 4. File an external review



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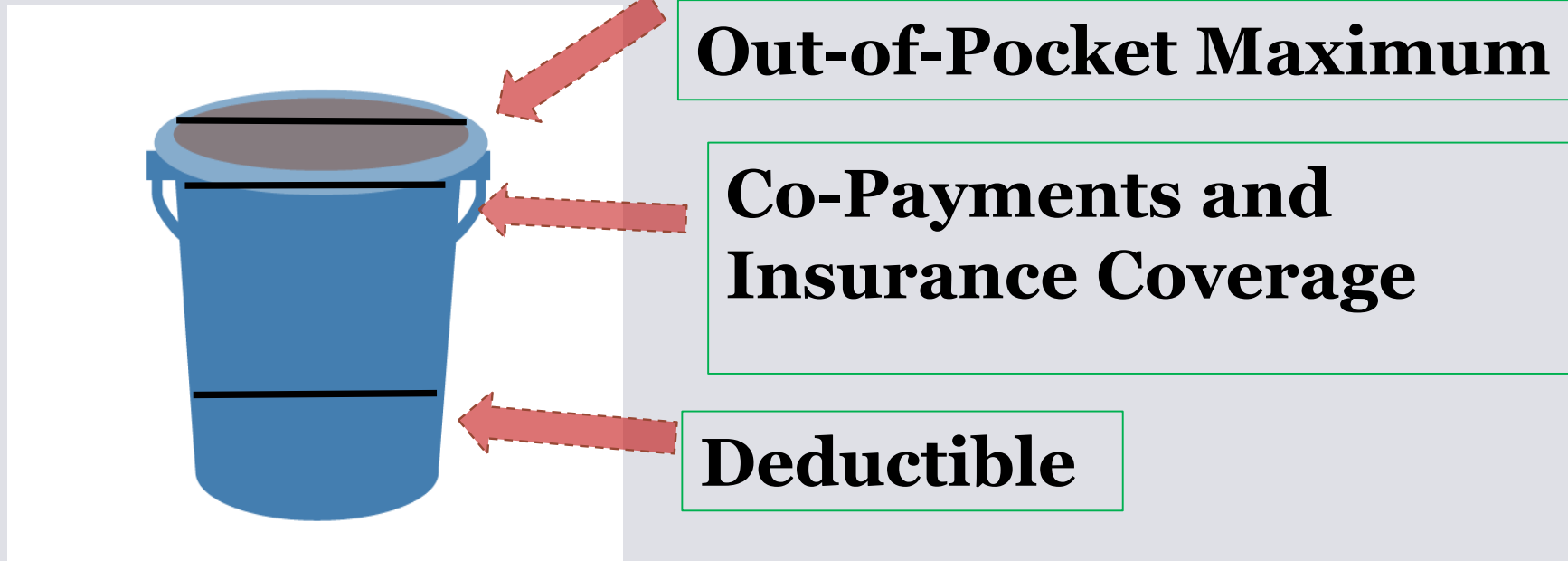
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How?

How can I manage my health insurance to avoid conflicts in the future?

- Be prepared to pay out-of-pocket costs



Round 4: Protect Finances

~~XXXXXX~~



Check Provider Network

1

Check Pre-Approval Requirements

1

Get Cost Estimate

1

File Claim Before Care

1

Budget for Out-of-pocket costs

1



SHOW QUESTION

HIDE QUESTION



Insurance Management and Dispute Resolution Strategies- Prevention

1. Keep all health insurance papers organized
2. Budget for your deductible and out-of-pocket maximums
3. Track your health expenses
4. Have your Evidence of Coverage where you can find it



Insurance Management and Dispute Resolution Strategies- Actions

1. Document All communication
2. Before handling a conflict, write down what you want to say, and try to remain calm.
3. Ask your health care provider for assistance with health insurance disputes.



Please help! Post-assessment



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Can apply your knowledge and information to make a smart choice health insurance decision?				

1. What is your sex? Male Female Other
2. What is your current age? _____
3. Do you currently have health insurance? Yes No

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Reliable Resources

- University of Maryland (Health Insurance Literacy Initiative): <http://www.extension.umd.edu/insure/>
- Healthcare.gov: <https://www.healthcare.gov/>
- Consumers Union:
<http://consumersunion.org/pub/pdf/healthcare2012.pdf>
- Centers for Medicare & Medicaid Services (CMS)
From Coverage to Care roadmap:
<https://marketplace.cms.gov/outreach-and-education/downloads/c2c-roadmap.pdf>



Any Lingering Questions?



Contact Information

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