



MEDICAL

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Health Care  
Doctor  
Hospital

**THE ULTIMATE GUIDE  
FOR PURCHASING  
HEALTH INSURANCE**

## **WHY THE GUIDE?**

When most Americans begin searching for health insurance, the first thing that comes to mind is to google Health Insurance quotes. This ends up generating an obnoxious amount of calls and texts from telemarketers, agents and brokers. Most people are often left with absolutely no quotes. Although I enjoy telemarketing calls as much as the next person, there's a better way.

If you want to avoid being bombarded for 2-3 weeks, read through the guide to understand the health insurance options available and to see what's the best route for you.

You can also directly reach me to get the most comprehensive analysis of all of your healthcare options.



## **ERIC STEPHENSON**

**Eric Stephenson** is a dedicated insurance professional with years of experience protecting families and business owners by tailoring the most comprehensive healthcare options at the most affordable price. He started his business while pursuing his MBA through the Army ROTC program at Saint Leo University. He decided against becoming an Active Duty Army Officer and instead stayed local to Florida, with his family, and joined the Florida Army National Guard as an Infantry Officer. He continues serving both his country and his clients in 31 different states across the nation. He provides a very comprehensive analysis of every specific client's situation and makes recommendations that will best fit their needs, budget, and wants.

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**BOOK AN APPOINTMENT WITH ME:**

[calendly.com/patriot-healthadvisor](http://calendly.com/patriot-healthadvisor)

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# THE FUNDAMENTALS

Insurance is used to diversify everyone's financial risk. Individuals and families pay the insurance company a monthly (premium) fee and the insurance company guarantees that they will pay for eligible medical claims.

## DEDUCTIBLE

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How much you have to spend for covered health services before your insurance company pays anything.

## COINSURANCE

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

## COPAY

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Amounts you pay per dedicated services as outlined on your plan typically after you have satisfied your deductible.

## OUT-OF-POCKET MAXIMUM

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The most you have to spend for covered services in a calendar or policy year. After you reach this amount, the insurance company pays **100%** for covered services.

## NETWORKS

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A group of doctors and medical care providers across multiple specialties that have a contract to provide health care services to members of a health insurance plan.

## TYPES OF NETWORKS

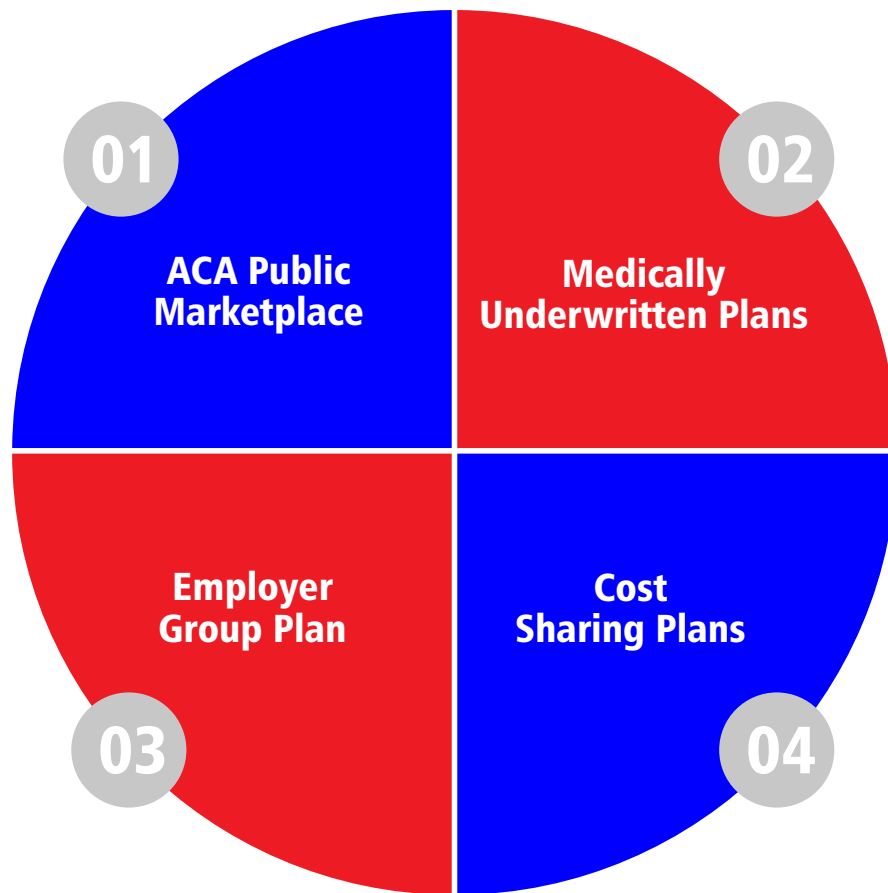
**Health Maintenance Organization (HMO):** A type of health insurance plan that usually limits coverage to care from doctors who work for or contract with the HMO. It generally won't cover out-of-network care except in an emergency. An HMO may require you to live or work in its service area to be eligible for coverage. HMOs often provide integrated care and focus on prevention and wellness.

**Preferred Provider Organization (PPO):** A type of health plan where you pay less if you use providers in the plan's network. You can use doctors, hospitals, and providers outside of the network without a referral for an additional cost.

**Exclusive Provider Organization (EPO):** A managed care plan where services are covered only if you use doctors, specialists, or hospitals in the plan's network (except in an emergency).

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

# TYPES OF HEALTH INSURANCE PLANS



## ACA PUBLIC MARKETPLACE

Designed for people with lower incomes and pre-existing conditions to have access to affordable medical coverage outside of employer group plans.

The law provides consumers with subsidies (“premium tax credits”) that lower costs for households with incomes between **100%** and **400%** of the federal poverty level.

ACA insurance plans are required to cover people with pre-existing health conditions, including pregnancy, mental health, and substance abuse services without charging more.

# WHICH METAL CATEGORY IS RIGHT FOR YOU?

## BRONZE

**LOWEST** monthly premium

**Highest** costs when you need care

Bronze plan deductibles — the amount of medical costs you pay yourself before your insurance plan starts to pay — can be thousands of dollars a year.

**Good choice if:** You want a low-cost way to protect yourself from worst-case medical scenarios, like serious sickness or injury. Your monthly premium will be low, but you'll have to pay for most routine care yourself.

## SILVER

**Moderate** monthly premium

**Moderate** costs when you need care

**Silver deductibles** — the costs you pay yourself before your plan pays anything — are usually lower than those of Bronze plans.

**IMPORTANT:** If you qualify for cost sharing reduction you must pick a silver plan to get the extra savings. You can save hundreds or even thousands of dollars per year if you use a lot of care.

**Good choice if:** You qualify for “extra savings” — or, if not, if you're willing to pay a slightly higher monthly premium than Bronze to have more of your routine care covered.

# WHICH METAL CATEGORY IS RIGHT FOR YOU?

## GOLD

**High** monthly premium

**Low** costs when you need care

**Deductibles** — the amount of medical costs you pay yourself before your plan pays — are usually low.

**Good choice if:** You're willing to pay more each month to have more costs covered when you get medical treatment. If you use a lot of care, a Gold plan could be a good value.

## PLATINUM

**Highest** monthly premium

**Lowest** costs when you get care

**Deductibles** are very low, meaning your plan starts paying its share earlier than for other categories of plans.

**Good choice if:** You usually use a lot of care and are willing to pay a high monthly premium, knowing nearly all other costs will be covered.



# YOUR PREMIUM CAN BE LOWER, BASED ON YOUR INCOME

When you apply for coverage in the Health Insurance Marketplace®, you'll find out if you qualify for a "premium tax credit" that lowers your premium — the amount you pay each month to your insurance plan.

The amount of your premium tax credit depends on the estimated household income for 2020 that you put on your Marketplace application.

You can apply some or all of this tax credit to your monthly insurance premium payment. The Marketplace will send your tax credit directly to your insurance company, so you'll pay less each month. This is called taking an "advance payment of the premium tax credit."

Click below to find out if you would qualify for lower premiums based on your income.

<https://www.healthcare.gov/lower-costs/>



# WHEN YOUR INCOME CHANGES, SO DOES YOUR PREMIUM TAX CREDIT

If your income changes, or if you add or lose members of your household, your premium tax credit will probably change too.

It's very important to report income and household changes to the Marketplace as soon as possible.

**If your income goes up or you lose a member of your household:** You'll probably qualify for a lower premium tax credit. You may want to reduce the amount of tax credit you take in advance each month. This way you don't wind up taking more credits than you qualify for.

**If your income goes down or you gain a household member:** You'll probably qualify for a bigger premium tax credit. You may want to increase the amount of tax credit you take in advance so you have a lower premium bill each month.

## IMPORTANT

If at the end of the year you've taken more advance payments of the premium tax credit than you're eligible for, you may have to pay money back when you file your federal income tax return. This is called "reconciling" the advance payments of the premium tax credit and the actual premium tax credit you qualify for based on your final 2020 income.

For more info on types of income to include in your estimate click below.

<https://www.healthcare.gov/income-and-household-information/income>

## MEDICALLY UNDERWRITTEN PLANS

### MEDICAL UNDERWRITING

A process used by insurance companies to determine the risk level of an applicant when applying for health insurance coverage. This process is used to determine whether to offer coverage, at what price, and with what exclusions or limitations.

These plans were more commonly used before the ACA guidelines were mandated.

Premiums are typically significantly discounted and are simply based on age and location, not income.

Typically have limited benefits for maternity, mental illness and drug & alcohol rehabilitation.

Have to submit an application to be approved or denied.

Can only be purchased through an insurance agent/broker.

Advantageous for:

- ◆ Self-employed individuals and families or small business owners who do not qualify for a premium tax credit through the Public Marketplace.
- ◆ Small Businesses who do not have the financial capability or employee participation required to provide a traditional group option.
- ◆ Healthy individuals and families that are not offered affordable employer coverage.

## TABLE 4: INELIGIBLE OCCUPATIONS, ACTIVITIES

<b>Active military personnel</b>	<b>Iron workers</b>	<b>Professional athletes</b>
<b>Air traffic controller</b>	<b>Law enforcement/detectives</b>	<b>Sawmill operators</b>
<b>Aviation &amp; air transportation</b>	<b>Loggers</b>	<b>Scuba divers</b>
<b>Blasters or explosive handlers</b>	<b>Meat packers/processors</b>	<b>Security guards</b>
<b>Bodyguards</b>	<b>Mining</b>	<b>Steel metal workers</b>
<b>Crop dusters</b>	<b>Nuclear industry workers</b>	<b>Steeplejacks</b>
<b>Firefighters/EMTs</b>	<b>Offshore drillers/workers</b>	<b>Strong man competitors</b>
<b>Hang gliding</b>	<b>Oil &amp; gas exploration &amp; drilling</b>	<b>Taxi cab drivers</b>
<b>Hazardous material handlers</b>	<b>Pilots</b>	<b>Window washers</b>

**SOURCE: Preferred One Insurance Company Individual and Family Insurance Application Form**



## EMPLOYER GROUP PLAN

Employers with 50+ employees are mandated by ACA guidelines to pay 50% of their employee only policies; however, they are not obligated to pay any portion of the rest of a family policy.

If your employee only plan is within 9.5% of your household income, this would make you ineligible to receive a premium tax credit through the marketplace no matter the cost of the rest of the family's plan.

Usually the best option for single individuals or the employee is to take advantage of their employee only policy.

In rare cases the employer will pay a portion of the family's premium, but in most cases it is more advantageous to find a more affordable option for the rest of the family.

## COST SHARING PLANS

Commonly organized under a ministry or other religious organizations, these faith-based programs are not insurance, nor do they claim to be. They simply facilitate voluntary sharing among members for eligible medical expenses.

Members send in monthly 'shares' (i.e., premiums) which are distributed to or on behalf of other members with medical expenses (i.e., benefits payments) in accordance with program guidelines. They are built upon the principle of people with similar beliefs and values coming together to share each other's burdens, not unlike the risk-pooling nature of health insurance.

There is no actual binding contract between a member and the program or between members to receive payment. These organizations do not guarantee or promise that your medical bills will be shared or assigned to others for financial gifts. Whether any member chooses to share the burden of your medical bills will be entirely voluntary. You are ultimately liable for any unpaid bills.

These plans should not be considered as a substitute for an insurance policy.

Typically exclude coverage for pre-existing conditions for the first 12 months.

Tend to be less expensive than traditional health insurance. Their coverage may also be more limited; they typically do not cover many health-related costs deemed to be 'unbiblical' – which the programs define in their guidelines – and may exclude payments for birth control, abortions, injuries related to alcohol or drugs, and injuries from certain hazardous activities (or even failure to wear helmets or seat belts in some situations).

You must file your own claims and submit the correct documentation to be eligible to receive a reimbursement from fellow members.

Advantageous for individuals and families that cannot afford any other medical coverage options and/or cannot qualify due to a history of major pre-existing conditions.

## SOURCES

 <https://www.healthcare.gov/>

Preferred One Insurance Company Individual and Family Insurance Application Form

# DISCLAIMER

The material and information contained in this document is for general information purposes only. While we have made every attempt to ensure that the information contained in this guide has been obtained from reliable sources, we are not responsible for any errors or omissions or the results obtained from the use of this information. All information in this form is provided "as is", with no guarantee of completeness, accuracy, timeliness or of the results obtained from the use of this information, and without warranty of any kind, express or implied, including but not limited to warranties of performance, merchantability and fitness for a particular purpose. In no event will we, our related partnerships or corporations, or the partners thereof be liable to you or anyone else for any decision made or action taken in reliance on the information in this form or for any consequential, special or similar damages, even if advised of the possibility of such damages.