Reading the Fine Print on Health Insurance

Premiums, deductibles, copays, and coinsurance, plus what happens when you age off a parent's plan at 26.

Name: _____ Date: _____

OBJECTIVE

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Term	Worked example
Premium	$400/month, just to have the plan
Deductible	$2,000 you pay before insurance starts covering most costs
Copay	$30 flat fee for a doctor visit
Coinsurance	After the deductible, you might still pay 20% of the bill
Out-of-pocket max	$8,000, the most you'd pay in a year, no matter what

You have a $2,000 deductible and 20% coinsurance. You get a $5,000 medical bill and haven't paid anything toward your deductible yet this year. About how much of the $5,000 do YOU owe? Show your work.

AGING OFF A PARENT'S PLAN

You can typically stay on a parent's health plan until you turn 26. After that, options include an employer's plan, the ACA Marketplace, or Medicaid, depending on income.

DISCUSS

Why might a 22-year-old choose a plan with a higher premium but lower deductible, or the opposite?

	HMO	PPO
Referral needed for specialists?	Usually yes	Usually no
Network	Narrower	Wider
Typical premium	Lower	Higher