

Manage Your Health Care Costs



FROM COVERAGE TO CARE

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How to Use “Manage Your Health Care Costs” A Guide for Assisters



What are the tools?

- 1. Understand Your Health Insurance Costs** — Defines key terms to help consumers understand the costs related to having health insurance and possible savings that may be available to them.
- 2. My Health Insurance Costs** — Consumers can write down contact information and out-of-pocket costs for their current health coverage.
- 3. Plan for Health Care Costs by Knowing Your Income and Spending** — Many people don't think they can afford coverage, and don't realize financial help may be available. This tool helps consumers to think about what out-of-pocket health care costs they can afford each month. Consumers can compare their total income with their total costs, and then get information about applying for financial help to help reduce costs on the coverage that's best for them.
- 4. How to Pay Your Premium** — This tool is designed to educate consumers about different methods of paying for health insurance. Some consumers don't have bank accounts or live in a cash economy. This tool will give them possible options to pay for health insurance, even without a bank account. You can provide this sheet to consumers who ask questions about payment options.

What's the purpose of these tools?

Consumers often have questions about how to manage health care costs, and some consumers may be scared to use their coverage because they're unsure of the cost of care and if they can afford the care they need. These tools are designed to help you provide resources to help consumers understand the costs related to health coverage. Though these tools are mainly for consumers who are unsure if they can afford to use their current health coverage, those without coverage can benefit as well.

We're hoping that once consumers start to understand their costs, they'll begin to benefit from the many services provided under their plans, like access to primary care and no cost preventive services.

Some of the information in these tools has been adapted from the Consumer Financial Protection Bureau's (CFPB) *Your Money Your Goals Toolkit*. Visit CFPP at consumerfinance.gov/your-money-your-goals/ to learn more about their program and financial planning.

What's my role as an assister?

The term Assister, as used in this document, refers to Navigators, Non-Navigator assistance personnel, and certified application counselors (CACs) in Federally-facilitated Marketplaces.

You may provide these tools to consumers who ask you for help, especially after enrollment as they begin to use their coverage. You may use this information to help consumers determine the best way to manage health care costs.

Make sure consumers are clear about your role and how you can help. You shouldn't provide advice on what consumers can and can't afford. Make it clear to consumers that you can't make financial decisions for them or provide them with tax or legal advice within your capacity as an assister.

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Where can I send consumers for additional help?

Consumers might need more help or support than these tools alone can give. Below is a referral list template that you can fill in and give to consumers to help them contact other resources. **This isn't meant to be a full list of resources in your area.** You might have to contact your local community action agency, local bank/credit union, or housing agency to get a complete list of financial educators (many will be free). Use the third column to add your local information.

Topic	Possible Referral Partner	Local Contact Information
Cash Flow Budgeting	<ul style="list-style-type: none"> • Financial education provider • Housing counseling agency: makinghomeaffordable.gov/getstarted/finding-the-right-program/Pages/default.aspx • Community action agency • Nonprofit credit counseling organization • Tribal organization • Other community-based nonprofit organization • Community college 	
Benefits Screening	<ul style="list-style-type: none"> • Community action agency • Other community-based nonprofit organization • Tribal organization • Community college • Local social services network • Social Security Administration: ssa.gov and benefits management through My Social Security at ssa.gov/myaccount 	
Income Tax Preparation and Filing	<ul style="list-style-type: none"> • Local Volunteer Income Tax Assistance (VITA) site: irs.gov/Individuals/Finda-Location-for-Free-Tax-Prep • Public library • Local social services network 	
Managing Debt	<ul style="list-style-type: none"> • Consumer Financial Protection Bureau (CFPB), Know before you owe: consumerfinance.gov/knowbeforeyouowe • CFPB.gov, Paying for college: consumerfinance.gov/paying-for-college • CFPB.gov, Mortgage help: consumerfinance.gov/mortgagehelp • Legal aid: lsc.gov • Nonprofit credit counseling organization • Tribal organization • Bank or credit union 	
Dealing with debt and collectors	<ul style="list-style-type: none"> • Legal aid: lsc.gov • Local pro-bono attorneys' network or county bar association legal referral services • Nonprofit credit counseling organization 	

Topic	Possible Referral Partner	Local Contact Information
Understanding Credit Reports and Scores	<ul style="list-style-type: none"> • Financial education provider • Housing counseling agency: makinghomeaffordable.gov/getstarted/finding-the-right-program/Pages/default.aspx • Community action agency • Nonprofit credit counseling organization • Bank or credit union 	
Fixing Errors on Credit Reports and Scores	<ul style="list-style-type: none"> • Nonprofit credit counseling organization • Financial education provider • Housing counseling agency: makinghomeaffordable.gov/getstarted/finding-the-right-program/Pages/default.aspx • Community action agency • Bank or credit union • Credit Reporting Agencies 	
Using Financial Services	<ul style="list-style-type: none"> • Financial education provider • Housing counseling agency: makinghomeaffordable.gov/getstarted/finding-the-right-program/Pages/default.aspx • Community action agency • Nonprofit credit counseling organization • Individual development account provider • Local Bank On or Alliance for Economic Inclusion coalition • Bank or credit union 	
Protecting Consumer Rights	<ul style="list-style-type: none"> • Legal aid lawhelp.org • State attorney general 	
Wealth or Asset Building	<ul style="list-style-type: none"> • my RA, Retirement savings account from the U.S. Department of Treasury: myra.gov/ • Financial education provider • Housing counseling agency: makinghomeaffordable.gov/getstarted/finding-the-right-program/Pages/default.aspx • Community action agency • Nonprofit credit counseling organization • Individual development account provider • Tribal organization • Other community-based nonprofit organization 	

Understand Your Health Insurance Costs

There are 3 things to help you understand your health insurance costs before you decide to enroll: What you pay, your spending limits, and how you can save. Below are health insurance terms related to insurance costs. To learn more about health insurance or get help with more terms, visit [HealthCare.gov](https://www.healthcare.gov).



1. What you pay

- **Premium:** The amount you pay for your health insurance every month. For example, you might pay \$100 each month for an individual plan.
- **Deductible:** The amount you pay for covered health care services before your insurance starts to pay. With a \$2,000 deductible, for example, you pay the first \$2,000 of covered services yourself. Some plans pay for certain health care services before you've met your deductible – for example, all Marketplace health plans must cover certain preventive services without charging you a copayment or coinsurance, even if you haven't yet met your yearly deductible.
- **Copayment:** A fixed amount you pay for a covered health care service (like a doctor's visit, hospital outpatient visit, or prescription drugs). This often applies after you've paid your deductible. For example, you might pay a \$15 copay for primary care visits and a \$35 copay for specialty care visits.
- **Coinsurance:** The percentage of costs of a covered health care service you pay. This often applies after you've paid your deductible. For example, if the health insurance plan's allowed amount for an office visit is \$100 and you've met your deductible, your 20% coinsurance payment would be \$20. The health insurance plan pays the rest.

SAMPLE: WHAT YOU PLAY FOR COINSURANCE

$$\text{\$100} \times .20 = \text{\$20}$$

Specialist cost x 20% coinsurance = Patient cost

2. Your spending limits

- **Out-of-pocket limit:** The most you have to pay for covered essential health benefits in a plan year. After you spend this amount on deductibles, copayments, and coinsurance, your health plan pays 100% of the costs of covered essential health benefits. The out-of-pocket limit doesn't include your monthly premiums. It also doesn't include anything you may spend for services your plan doesn't cover.



$$\text{DEDUCTIBLES} + \text{COINSURANCE} + \text{CO-PAYS} =$$

$$\text{Out-of-pocket limit}$$

3. How you can save

- **Premium tax credit (PTC):** A tax credit you can use to lower the cost of health insurance when you enroll in a plan through a Health Insurance Marketplace. Eligibility for the premium tax credit is based on the annual household income and other eligibility information you put on your Marketplace application. Using projected household income and other eligibility criteria, you may be able to receive advance payments of the premium tax credit (APTC) that reduce your monthly premiums. If at the end of the year you've received more APTC than you're eligible for based on your actual annual household income and other eligibility criteria, you may have to pay back the excess when you file your annual federal tax return. If you've received less APTC than the premium tax credit you qualify for, you may get the difference back as a credit on your federal tax return. Remember to update the Marketplace if your household income or family size changes, since this may affect your eligibility for APTC and PTC. Visit [HealthCare.gov](https://www.healthcare.gov) to learn more about what changes to report.
- **Cost-sharing reduction (CSR):** A reduction in the amount you have to pay for deductibles, copayments, and coinsurance. In a Health Insurance Marketplace, cost-sharing reductions are often called "extra savings." Cost-sharing reductions are generally available to eligible enrollees with a household income up to 250% of the federal poverty level. If you qualify, you must enroll in a plan in the Silver category to get the extra savings. If you're a member of a federally recognized tribe, you may qualify for additional cost-sharing benefits. For more information on Silver plans, please visit: <https://www.healthcare.gov/choose-a-plan/plans-categories/>. To review eligibility information, please visit: <https://www.healthcare.gov/lower-costs/>.
- **Essential Health Benefits:** A set of 10 categories of services health insurance plans must cover under the Affordable Care Act. These include doctors' services, inpatient and outpatient hospital care, prescription drug coverage, pregnancy and childbirth, mental health services, and more. Some plans cover more services. Plans must offer dental coverage for children. Dental benefits for adults are optional. Specific services may vary based on your state's requirements. You'll see exactly what each plan offers when you compare plans. To see the full list of essential health benefits that Marketplace plans cover, visit <https://www.healthcare.gov/coverage/what-marketplace-plans-cover/>.
- **Preventive services:** Routine health care that includes screenings, check-ups, and patient counseling to prevent illnesses, disease, or other health problems. Most health plans must cover a set of preventive services — like certain shots and screening tests — at no out-of-pocket cost to you. This includes plans available through a Health Insurance Marketplace and is true even if you haven't met your yearly **deductible**. Note: to receive these services at no additional cost, make sure to get them from a doctor or other provider in your plan's network. To learn what preventive services are available at no out-of-pocket cost to consumers, visit [HealthCare.gov/coverage/preventive-care-benefits](https://www.healthcare.gov/coverage/preventive-care-benefits) or review the preventive services resources on the From Coverage to Care website, [go.cms.gov/c2c](https://www.go.cms.gov/c2c) or <https://www.healthcare.gov/preventive-care-adults/> for more specifics on covered services.

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My Health Insurance Costs

Use this worksheet below to keep track of your plan's information, like plan name and ID number, and cost information, like your monthly premium and any savings you qualify for (like a premium tax credit). For your convenience, keep this information in a safe place where you can get to it when you need it.



Health Insurance Information for Calendar Year 20__

Health Plan Information

Plan Name: _____

Plan ID Number: _____

Group Number: _____

Contact Information: _____

Other Notes: _____

Health Plan Costs Information

Monthly Premium: _____

Advance Premium Tax Credit: _____

Deductible: _____

Copayment – Primary Care: _____

Copayment – Specialist Visit: _____

Copayment – Prescription Drugs: _____

Coinsurance (if applicable): _____

Out- of- pocket limit: _____

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Plan for health care costs by knowing your income and spending

Are health insurance and health care services something you want but don't think you can afford? Making ends meet can be tough and adding another expense can seem overwhelming. Understanding your spending habits could help you find ways to fit in the cost of health insurance, like monthly premiums and copayments.



Three steps to help determine what health coverage you can afford:



STEP 1

Track your household income.

You'll need this information to determine your eligibility for 2 kinds of financial help in the Marketplace: advance payments of the premium tax credits and cost-sharing reductions. You should always apply to determine what you are eligible for.



STEP 2

Know Your Spending Costs.

This will help you as you compare plans in the Marketplace. You can see which plans have out-of-pocket costs you can afford, like deductibles, premiums, copayments, and coinsurance.



STEP 3

Shop for plans and apply for financial assistance.

Whether you're renewing your current plan, shopping for a new plan, or shopping for the first time, review plan information to be sure you chose the best plan. Preview Marketplace plans, including costs and savings, without setting up an account by visiting [HealthCare.gov/see-plans](https://www.healthcare.gov/see-plans), or contact the Marketplace in your State. It takes a few minutes and you'll get an idea how much money to set aside each month for health care costs.

1. Track Your Household Income



Use the chart below to track your total monthly household income so you can compare this with your monthly spending costs. This will also help you determine if you're eligible for financial help in the Marketplace. Remember to apply for financial help so you'll know what you may qualify for.

Income Source	Week 1 _/_/_	Week 2 _/_/_	Week 3 _/_/_	Week 4 _/_/_	Total
Job or Self-Employment					
Second job					
Unemployment Compensation					
Social Security Benefit					
Social Security Disability Income (SSDI)					
Tax refund					
Other Income					
Totals monthly income					

Note: When applying for Medicaid, the following are excluded from monthly adjusted gross income (MAGI): scholarships, awards, or fellowship grants used for education purposes and not for living expenses; certain American Indian and Alaska Native income derived from distributions, payments, ownership interests, real property usage rights, and student financial assistance, or an amount received as a lump sum is counted as income only in the month received.

2. Know your spending costs



Use the chart below to track your monthly spending. Then compare this to your monthly income to see how much money is available for premiums, copayments, deductible, and other health care costs.

Category	Week 1	Week 2	Week 3	Week 4	Monthly Total
Savings					
Debt payments					
Housing and utilities					
Household supplies and expenses					
Tools of the trade/Job related expenses					
Groceries					
Eating Out					
Pets					
Transportation					
Personal care					
Childcare and school					
Entertainment					
Court-ordered obligations.					
Gifts, donations, other					
Weekly Total					

3. Shop for plans and apply for financial assistance

Visit [HealthCare.gov/see-plans](https://www.healthcare.gov/see-plans) to preview plans, including costs and savings, without setting up a Marketplace account, or contact your State Marketplace.

If you like, apply for financial help to see if you're eligible for advance payments of the premium tax credits or cost-sharing reductions.



For more information on cash flow budgets, see the CFPB *Module 5: Getting through the month*. To learn more information on financial services that may help you pay your bills, see the CFPB *Module 8: Moneyservices, cards, accounts, and loans: Finding what works for you*.

How to Pay Your Premium

You must pay your first month's premium by your health plan's due date to successfully enroll in your coverage. You must also pay your premium every month to stay covered – but each insurance company is different, so pay careful attention to their due date. Contact your insurance company if you're not sure what type of payments your plan accepts.

You may be able to pay your premium one of these 4 ways:

- 1. Online:** Check your bill or call your insurance company to find out if your plan takes online payment. Your plan may also mail you online payment instructions. If you enrolled in a plan through [HealthCare.gov](https://www.healthcare.gov), you'll be taken to your Enroll-To-Do list. If you see a green button that says "PAY FOR HEALTH PLAN," your insurance company accepts online payment. Select the green button and you'll be taken to your plan's payment portal where you can pay your premium.
- 2. Mail:** Your insurance company might mail you a bill with instructions for how to pay. Follow the instructions to submit your payment.
- 3. Phone:** Call your insurance company to see if you can pay over the phone using a credit card, debit card, prepaid card number, or your bank account information.
- 4. In person:** Some insurance companies have walk-in centers. Contact your insurance company to see if it has a walk-in center and for locations. Contact information can be found on the back of your insurance card, or on the company website.

Links about cash payment options, credit counseling, and consumer complaints:

- **Prepaid cards:** [consumer.gov/articles/1005-prepaid-cards#!what-it-is](https://www.consumer.gov/articles/1005-prepaid-cards#!what-it-is)
- **Bank accounts and Second Chance Bank Accounts:** files.consumerfinance.gov/f/201508_cfpb-ymyg-toolkit-community-volunteers-module-8.pdf
- **If you have a consumer complaint:** [consumerfinance.gov/complaint](https://www.consumerfinance.gov/complaint)
- **Cash:** Some insurance companies allow cash payments as a special service at local pharmacies, convenience stores, or other locations. Contact your insurance company to see if and where cash is accepted. If you're only able to pay your premium using cash, you'll need to contact your insurance company to ask what type of cash payments they accept. If they don't accept cash payments, you can explore other options, like second chance bank accounts or prepaid cards.

Note: If you're not sure what type of insurance you have, or if you need to pay a premium, contact the number on your insurance card.





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