



Know Before You Go: Selecting a Health Plan from an Employer

Selecting health insurance can be a confusing business, but before you go to Human Resources, here are some things to know:

- What type of plan meets your needs?

There are generally three types of plans: health maintenance plans (HMO), preferred provider organizations (PPO) and point-of-service plans (POS). An HMO requires that you use physicians within a predetermined network and usually costs less because of the lack of flexibility. A PPO allows you to be treated by doctors in a network for a small cost, or to be treated by doctors outside of the network for a larger cost, although usually much less than the visit would cost without insurance. POS plans give you the option to go out of network, but usually require you to be referred by a doctor within the network.

- Have any changes been made to your plan since last year?

Annual enrollment is the time to read through the particulars of your health insurance plan. Plans and coverage can change year to year and once you make an election, you can't change until the following year. This is a good time to compare coverage for your family at your place of employment versus a spouse or partner's coverage and find out which works better for your family.

- Think about what services you may need and what doctors you would like to work with.

When electing coverage for the coming year, think about what your medical needs may be. Emergencies are impossible to predict, but things like maternity coverage if you are planning a family, or adding an adult child back on your insurance are things that can be discussed while selecting coverage.

If you're looking to change coverage, make sure that if you have a preferred physician, they are covered under your new plan. This can be especially important for those with a family member that requires special and on-going care.

- Be aware of the service area a plan covers.

If you travel a lot or live part of the year in a different state, make sure you will be covered wherever you are. Find out what service area the plans you are considering covers and what, if any, coverage you have outside of the regular service area. Emergency services may be exempted from out-of-network charges.

- Check the prescription coverage.

The information about what prescription drugs are covered by a plan is called the formulary, and may be available online. Find out if there are discounts on generic drugs or whether you may save more by receiving prescriptions through the mail.