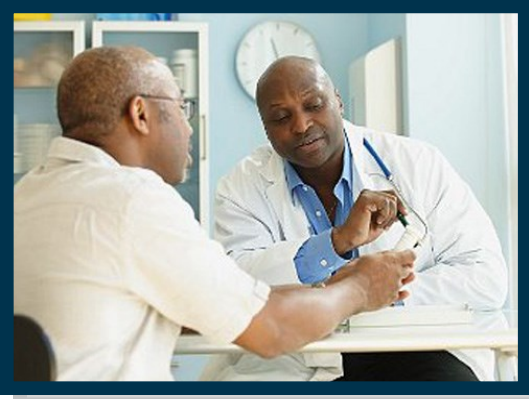# What is Health Insurance?

Health insurance is a type of insurance that covers the cost of an individual's health expenses, such as surgeries, doctor visits, and screenings. It protects an individual from paying the full costs of medical services when injured or sick.

How does it work?
- The health insurer estimates how much money it will cost to cover medical expenses for you.
- The insurer sets a yearly amount to be paid by you (the policyholder).
- You and your health insurer share the covered medical costs.

What are the types of coverage?
- Public Insurance - government health insurance paid for through taxes (e.g. Children's Health Insurance Program (CHIP) and Medicaid)
- Private Insurance - insurance offered by private companies, paid by individuals and/or employers

What are Medicare and Medicaid?
- Medicaid: federally and state-funded program health care for low-income children, families, and people with disabilities
- Medicare: a federally funded health care available to people 65 or older, people under 65 with certain disabilities, and people with end-stage renal disease

What are the types of plans?
- Health Maintenance Organizations (or HMOs):
  - Receive a range of health benefits for a set fee and pay a small amount per visit.
  - Select a primary care provider (PCP) who is responsible for managing your health care and referring you to specialists.
  - Only go to health care providers on the plan's list.

- Preferred Provider Organization (PPO):
  - Seek treatment from a preapproved list of providers, or other providers outside the network.
  - Save money when you visit one of the providers on the plan's list.

- Point of Service (POS):
- Hybrid of the HMO and PPO.
- Like an HMO you must select a primary care provider from a preapproved list.
- Like a PPO you can receive care from any provider of your choice.
- Using health care providers that belong to the plan's preapproved list, costs less.

How do I select the best insurance for me?
- Consider the balance between cost and coverage.
- Consider if drug, vision, and prescription coverage are included in your plan.
- Compare upfront cost (i.e. premium) to the out-of-pocket cost (deductible).

How do I use my health insurance?
Once you're enrolled in a health plan and your coverage has started, you can use it to help cover medical costs for services like:
- Filling a prescription at the pharmacy
- Going to the doctor
- Getting emergency care