

5 things you need to know before choosing your health insurance

Health insurance policies offer different options, but they all have one thing in common: they provide security and affordability of medical care should you need it.

The number of people paying for private and public health insurance in the US is [over 300 million](#), however, the US has the most expensive healthcare in the world.

Therefore, it is important to get the right kind of coverage according to your needs so that you don't end up paying even more for the medical assistance you need.

1. Public or Private Healthcare

The two main types of healthcare available are public and private. There are large differences between the two types of healthcare:

Public Healthcare

Public healthcare is cheaper as there are often no extra fees (co-pays or deductibles). However, the selection of medical care you can access is smaller and hospitals can be more crowded meaning it takes longer to receive care.

The public healthcare programs on offer are Medicaid, Medicare, and the Children's Health Insurance Program.

Medicaid is offered by the state and is aimed at helping people on a lower income with medical costs. Services also include nursing home costs and personal care services. Most people with a low income in the US choose this health insurance provider.

Medicare is specifically for US nationals older than 65 years old, children having kidney dialysis and transplants, ALS therapy and medication, and certain other disabilities.

Children's Health Insurance Program (CHIP) is aimed at assisting families with a low income that is too high for Medicare coverage, providing health insurance for their children.

Private healthcare

Most Americans have private healthcare plans. Many different companies offer unique plans which can be customized.

They have a larger range of doctors and facilities within their service. The facilities are often better and there can be extra perks, such as longer visiting hours for family and friends.

However, for all these benefits, they are more expensive than public healthcare plans.

2. Employer-based Private Insurance

Often employers pay toward private health insurance costs of their employees.

If this is the case for you, then you may not need to shop around for government or marketplace cover. Some companies even allow you to transfer your healthcare to another company.

It is worth considering whether you are satisfied with the plan they offer and making sure it covers what you need.

3. Types of Private Healthcare Plans

There are several different types of private healthcare plans that come with different prices. While considering these, it is worth remembering that if you pay lower premiums you will have to pay more out of pocket each time you see a doctor.

Health Maintenance Organizations (HMOs)

HMOs are a cheaper option for those with many medical issues as they have low premiums and deductibles. The copays for any treatment are also at a fixed rate. These specify doctors within a network so there is a limited choice, and you'll need referrals from a primary care physician first before accessing treatment.

Exclusive provider Organizations (EPOs)

EPOs have more options as they have slightly bigger networks of medical care. While the premiums are slightly higher you may not need to see a primary care physician before getting treatment.

Preferred Provider Organizations (PPOs)

PPOs have slightly higher fees for co-paying also, but you can choose between an even bigger range of providers.

Point of service plans (POSSs)

POSSs have the most expensive premiums, but you can receive medical care and specialists outside of the network as well as within. There is also no requirement for a referral. These are a good choice if you have high medical needs and can afford them.

4. Additional Costs When Receiving Care

These costs are in addition to your monthly premiums. It is worth researching how much additional care costs will be with each plan by studying the benefits and additional out-of-pocket costs for the plans you are interested in.

5. Amount of Coverage

Depending on your medical needs you may wish to have higher coverage. This may be the case if you have a chronic illness or have planned surgery.

Other specialist needs that you may want to check are included in your cover are:

- Eye doctors
- Dentists
- Physical therapy
- Psychiatric care
- Pregnancy care
- Nursing home care
- Specialized hospitals or clinics
- Expensive medication

Conclusion

It is worth shopping around and even contacting health insurance providers if you have questions. The bottom line is that it is unaffordable for most people to not have healthcare insurance in the US, so make sure you choose yours carefully.