

**THE MONEY CONFERENCE FOR WOMEN**

**March 24, 2007**

**CHECKLIST FOR CHOOSING A HEALTH PLAN**

1. What are your health insurance needs? Will the plan you are considering meet those needs? Assume that you could get sick and need more care than you have in the past.
2. Look at which services are covered and which are excluded from coverage
  - Massachusetts law requires *fully insured*\* health plans to cover certain benefits but *self-insured*\* employer group plans are not subject to these laws (see separate Glossary for definitions of *fully insured* and *self-insured*)
  - Consider particular areas - e.g., vision, mental health, prescription drugs
  - Are there annual and/or lifetime dollar or unit-of-service (e.g., doctor visits, hospital days) limits on care paid for by the plan? Could you run out of coverage if you get sick?
3. What kind of provider choice does the plan give you?
  - Is your choice of doctors limited?
  - Are your primary care doctor and specialists you see regularly in the plan network?
  - Does the plan have a "gatekeeper" requirement - i.e., most of your medical care must be coordinated and approved by the primary care physician (PCP) you select?
  - Does the plan limit the specialists you can see by having a "closed" network or by including financial disincentives to see out-of-network doctors?
4. Is your choice of hospitals limited?
  - Does the plan network include hospitals geographically convenient to you? What is the quality of care at these hospitals?
  - Does the plan make you pay more for care in a teaching ("tertiary") hospital, such as Massachusetts General or Beth Israel, than for the same services in a community hospital?
  - Does the plan contain other financial disincentives to using certain hospitals?
5. Costs you need to consider
  - Monthly *premiums*
  - *Co-insurance* - percent of total charge that you must pay per doctor visit, hospital stay, etc. Co-insurance is less predictable than co-payments and adds up quickly with expensive care.
  - *Co-payments* - a set dollar amount that you must pay per doctor visit or other service. Many plans charge a different co-payment for in-network and out-of-network

## ***Health Law Counsel and Consulting***

---

providers, and for primary care providers versus specialists. For prescription drugs, there are generally at least two levels of co-payment (for generic and brand-name drugs) and sometimes more.

- *Deductibles* - the dollar amount you have to reach in medical charges before the plan will pay anything. Deductibles are imposed annually, for all covered services and/or by type of service. Plans usually impose higher deductibles for family coverage than for an individual.
  - Does the plan contain an *out-of-pocket maximum*? This is the most you must spend toward medical care in a year before the plan pays for all covered charges. This caps your potential costs.
5. How does the plan measure up in terms of quality?  
Some places to go for information:
- Mass. Health Care Purchaser Group Plan Report Card  
[www.mass.gov/gic/bdg/healthplanreportcard.htm](http://www.mass.gov/gic/bdg/healthplanreportcard.htm)
  - NCOA State of Health Care Quality 2005 [www.ncqa.org/Docs/SOHCQ\\_2005.pdf](http://www.ncqa.org/Docs/SOHCQ_2005.pdf) or  
NCOA Health Plan Report Card <http://hprc.ncqa.org/index.asp>
  - Massachusetts Health Care Quality and Cost Information [www.mass.gov/healthcareqc](http://www.mass.gov/healthcareqc)
6. Some other factors to think about in choosing a plan
- Prior approval requirements - when the plan requires you to get its approval before you can receive a service. While most plans have these requirements for some expensive services, too many prior approval requirements can create barriers to getting needed care.
  - *Appeal rights* - All *fully insured*\* health plans in Massachusetts must offer certain appeal rights. In addition to an appeal to the plan, patients can request review by an independent panel, through referral by the Office of Patient Protection. Federal law also provides the right to appeal to a plan (including a *self-insured*\* plan) and the right to sue the plan in court if covered benefits are denied.
  - Emergency care coverage - Massachusetts law requires all *fully insured* health plans to meet certain standards for access to emergency care.
  - Customer service- Research the plan and its track record; also talk to friends and co-workers about their experience with the plan.
  - Disease and case management programs - These programs can help coordinate care and address access problems when you have a chronic or disabling condition.

\*\*\**This material is for informational purposes only and does not constitute legal advice.* \*\*\*