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Health Insurance and Women

Q: What is health insurance?

A: Health insurance is a formal agreement to provide and/or pay for medical care. The health insurance policy describes what medical services are "covered" by the insurance company. There are medical services that are not "covered" and will not be paid by your insurance company.

There are a variety of private and public health insurance programs. Most women obtain health insurance through their employer or as a "dependent" in a family plan. There also are public health insurance plans funded by the federal and state governments.

Q: How does health insurance affect me?

A: More than 17 million women (nearly one in five) age 18 to 64 are uninsured in the United States. As health insurance costs soar, employers cut benefits, or jobs disappear, millions of people slip through the cracks and lose their coverage. These are working Americans who make too much money to qualify for Medicaid, but don't have enough money to buy health insurance. Also, women are twice as likely as men to be insured as a "dependent" on a spouse's plan. So, she risks losing coverage if she divorces, is widowed, or if her spouse loses his job.

Uninsured women are more likely to suffer serious health problems. They tend to wait too long to seek treatment, and many don't fill needed prescription drugs because of cost. Also many don't get preventive care, including lifesaving screening tests such as mammorgrams and Pap tests. The lack of health insurance can even be deadly as research has shown that uninsured adults are more likely to die earlier than those who have insurance.

The rising costs of health insurance also affect insured women. According to one national survey, one in six privately insured women postponed or went without needed care because she could not afford it. In 2005, a typical insurance premium for individuals cost $4,024 and $10,800 for families.

Q: What are my health care options?

A: Health insurance can be complicated and confusing. There are different types of plans:

Private Health Insurance

There are two major types of private health insurance:

1. **Fee-for-service.** The provider (such as a doctor or hospital) gets paid for each covered service. With this type, you go to a doctor of your choice, then the doctor or hospital submits a claim to your insurance company for payment. The insurance company will only pay the provider for "covered" services. Most fee-for-service plans have a deductible amount that you must pay each year before the insurance

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company will begin to pay for medical services. Many plans also require you to pay a portion of the medical expense—called "coinsurance."

2. **Managed care.** Managed care plans have contracts with certain doctors, hospitals and other providers to provide medical services to plan members. The three main types of managed care plans are:

   - **Health Maintenance Organizations (HMOs).** They provide health services for a fixed monthly payment, called a "premium". This monthly premium is the same whether you use the plan's services or not. The plan may charge a copayment for some services—for example $10 for an office visit or $5 for a prescription. HMO plans usually require you to select a primary care physician (PCP), who manages your care. As long as you use the doctors and hospitals that participate in the HMO, your out-of-pocket costs should be very small. The HMO Act of 1973 created this alternative to traditional health plans as a more affordable option.
   - **Preferred Provider Organization (PPO).** This option offers more choices than an HMO, but premiums often are higher. Most PPO plans do not require you have a PCP to manage your care. You can keep your out-of-pocket costs low by using "in-network" providers.
   - **Point of Service (POS).** This plan is similar to a PPO, but your care is managed by a PCP. For example, with a POS plan, you would need a referral from your PCP to see a specialist.

People who have private insurance either buy it themselves or get it through their employer, called "group insurance". Group insurance obtained through an employer typically requires the employee to pay some of the overall policy cost.

Employer-Sponsored	
Group policy paid in whole or in part (typically 73-84%) by employer	Typically fee-for-service or managed care plan
Individually Purchased	
Individual policy, more costly, benefits usually more limited	Typically fee-for-service or managed care plan

Public Health Insurance

The government also provides health care coverage for qualifying women through Medicaid, Medicare, and special interest programs. These plans serve those who meet certain financial, age, or situational requirements. Government health insurance programs include:

- **Medicare.** This is the national health insurance program for people age 65 or older, under age 65 with certain disabilities, and any age with permanent kidney failure. How you get your health care coverage depends on the Medicare plan you select. The **Original Medicare** Plan has three parts:
  - Part A (hospital) covers inpatient hospital, skilled nursing, home

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health, and hospice services. Everyone over age 65 is entitled to Part A.

- Part B (medical) covers outpatient hospital, doctor, lab, and other services. Part B also covers preventive services important to women, such as yearly mammogram, Pap smear, bone density scan, and flu shots. Part B is optional. You have to purchase Part B.
- Part D covers prescription drugs. Part D is optional. You have to purchase Part D. Private companies approved by Medicare run these plans. Plans cover different drugs, but drugs that you must have to treat a health problem are covered.

Some people also choose to purchase a "Medigap" policy to help pay for medical services and supplies not covered by Part A and Part B. Costs for this type of private insurance vary by policy and company.

Medicare also offers **Medicare Advantage Plans**. These are health plans like HMOs and PPOs that are approved by Medicare and run by private companies. They are part of the Medicare Program, and sometimes called "Part C." These plans provide all of your Part A and Part B coverage. Many also include Part D drug coverage. Your costs may be lower than in the Original Medicare Plan, and you may get extra benefits.

For more information, call 1 (800) 633-4227 (MEDICARE) or go to http://www.medicare.gov.

- **Medicaid.** Medicaid provides health care to certain low-income individuals and families with limited resources. Medicaid does not pay money to you. Instead, it sends payments directly to your health care providers. Medicaid is a state and federally funded program. Although the federal government sets general program rules, each state defines its own eligibility rules and runs its own program services. Qualification in one state does not mean you will qualify in another state. You must be a U.S. national, citizen or permanent resident alien in order to apply for benefits. For more information, call 1 (877) 0267-2323 or go to http://www.cms.hhs.gov/medicaid.

  Note: Many states have become more flexible in their ability to serve families in need, especially if you fall into any of these categories:

  - *Pregnant*—Both you and your child will be covered if you qualify.
  - *Children/Teenagers*—May cover sick children or teenagers on their own.
  - *Aged, Blind, and/or Disabled*—Nursing home and hospice care available.
  - *Leaving welfare*—You may be able to get temporary assistance.

    Call your local social security office for more information.
- **State Children's Health Insurance Program (SCHIP).** This is a joint state and federal program that provides insurance for children of qualifying families. Families who make too much

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money to qualify for Medicaid but cannot afford private health insurance may be able to qualify for SCHIP assistance. Eligibility and health care coverage varies according to each state. For more information, contact http://www.insurekidsnow.gov or call 1 (877) 543-7669 (KIDS NOW).

Q: How do I choose a health plan?

A: When it comes to health plans, not everyone has a choice. But if you do, you will need to understand the how different plans affect your choice of providers and services, costs, and quality of care. This information can be confusing. Few people understand their options well enough to make an informed choice. For help making a decision based on quality, see Choosing a Health Plan.

Q: I don't have health insurance. What are my options?

A: More than 46 million people in the United States are uninsured, and most are in working families. The government is looking for ways to provide more affordable health insurance and greater access to health care. Right now, there are a number of resources for women without health insurance. There are government-sponsored "safety-net" facilities that provide medical care for those in need, even if they have no insurance or money. Safety-net facilities include community health centers, public hospitals, school-based centers, public housing primary care centers, migrant health centers, and special needs facilities. The U.S. Department of Health and Human Services (HHS) recently awarded more than $19 million to expand and strengthen these facilities. To find a facility near you, contact your local or state health department or visit the Bureau of Primary Health Care.

Other government-sponsored programs for uninsured women include:

- **Special Supplemental Nutrition Program for Women, Infants, & Children (WIC).** Provides healthy foods to supplement diets, nutrition education, and referrals to health care for low-income women, infants, and children up to age 5. Contact: http://www.fns.usda.gov/wic.
- **National Breast and Cervical Cancer Early Detection Program (NBCCEDP).** Provides free or low-cost mammograms and pap tests for women over age 39 who cannot afford breast exams or Pap smears. Contact: http://www.cdc.gov/cancer/nbccedp or 1-888-842-6355.
- **Maternal and Child Health Services.** State programs provide health care services for low-income women who are pregnant and their children under age 22. The federal government funds these programs and establishes general guidelines regarding services. Each state determines eligibility and identifies the specific services to be provided. The Title V State MCH Toll-free Hotline Directory can help you find services in your state.
- **Indian Health Service (IHS).** Provides public health care services to American Indians and Alaskan Natives. Generally, one must be an enrolled member of a Federally recognized tribe to be eligible for health services from the IHS. Non-Indian

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women who are pregnant with an eligible Indian's child also may receive health care service from the IHS. Contact: www.ihs.gov.

- **Projects for Assistance in Transition from Homelessness (PATH).** Federal grants are provided to states and territories that partner with local organizations to provide a variety of health services for homeless people who have serious mental illness. Contact: http://www.pathprogram.samhsa.gov.

Q: What if I do not qualify for these government programs?

A: Some uninsured women make too much money to qualify for government assistance but cannot afford to pay for health insurance or costly medical care. This is a difficult situation for women and their families. There are options for women in this situation, including:

- **Free clinics.** Free clinics provide services for the working poor and uninsured. Usually, people who qualify for Medicare, Medicaid or who can afford private insurance do not qualify for care in free clinics. The Free Clinic Foundation of America publishes a National Directory of Free Clinics. To access the directory, visit www.medkind.com.
- **Prescription drug assistance.** Some states provide prescription drug assistance to women who are not covered by Medicaid. Also, many drug companies will work with your doctor or health care provider to supply free medicines to those in need. For prescription drug resources, go to: http://www.disabilityresources.org/RX.html.
- **Women with cancer.** Women who are coping with cancer can find help through many government-sponsored and volunteer organizations. For example, Cancer Care provides free support, information, financial help, and practical help to people with cancer and their families. Low-income and underserved women with breast and cervical cancers can get help with transportation, child care, and home care from the AVONCares Program. For more information and a list of more resources, contact the National Cancer Institute at www.cancer.gov/cancertopics/factsheet/Support/financial-resources.
- **Women with HIV.** The federal Ryan White CARE Act funds services for those with HIV/AIDS who have little or no insurance and limited income. For information about the Ryan White Care Act, go to http://hab.hrsa.gov. Contact your local or state health department to locate a CARE provider in your area. Resources also can be found at www.aids.gov.
- **Low-Cost Health Insurance Options.** Some labor unions, professional clubs, associations, and organizations offer private group health insurance to its members. These plans usually are less costly and may be an option to consider.
- **State Temporary Insurance.** Some who have been denied health insurance because of a medical condition may be able to obtain coverage through State "High Risk Pools." More than 30 states provide

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this temporary insurance assistance. For more information, contact http://www.healthinsurance.org/riskpoolinfo.html.

Q: How can I protect my health insurance benefits?

A: If you are losing your health insurance due to job loss or reduced hours, there are some important steps you should take. Women and their dependent children who lose their health insurance through divorce or death also are entitled to the following protection.

- Get proof of previous health insurance coverage from your employer. This assures certain protections and rights under the Health Insurance Portability and Accountability Act of 1996, or HIPAA. Basically, HIPAA protects employed individuals and their families who are insured by continuing access to health insurance when leaving or changing jobs. For more information about HIPAA and how it affects you and your family, go to http://www.cms.gov/hipaa/hipaa1/content/more.asp.
- You may be able to continue your group health insurance coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, or COBRA. Generally, employers with 20 or more employees are subject to COBRA and must allow you the option to continue your health insurance benefits for at least 18 months after leaving your job. You will have to pay more than when you were employed because you also must pay the premium costs your employer used to pay for you. But you will receive the same health benefits while you look for another job or until you buy health insurance. In some cases, you can apply for health insurance continuance after using up your COBRA coverage through your state-mandated "High-Risk Pool" Insurance.
- Consider your health insurance situation carefully before agreeing to certain terms and conditions. This is very important if you and your spouse separate or divorce. Also, you may not want to give up certain survivor or retirement benefits as this could impact your health insurance benefits.
- A court order can be obtained to provide insurance coverage for children under a divorced parent's health plan, even if that parent does not have custody. This court order is called a qualified medical child support order.
- In most cases, there are strict time limitations in which to apply for benefits. So act quickly to get the right information and file the forms required in order to protect you and your family's health insurance. ■

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For More Information…

For more information about health insurance contact womenshealth.gov at 1-800-994-9662 or the following organizations:

Center for Medicare and Medicaid Services, HHS
General information:
Phone: (877) 267-2323
Internet Address: http://cms.hhs.gov
General information for people with Medicare:
Phone: (800) 633-4227 (MEDICARE)

Employee Benefits Security Administration
Phone: (866) 444-3272
Internet Address: http://www.dol.gov/ebsa

Health Resources Services Administration Information Center
Phone: (888) 275-4772
Internet Address: http://www.ask.hrsa.gov

Insure Kids Now!
Phone: (877) 543-7669 (KIDS NOW)
Internet Address: http://www.insurekids-now.gov

State Children's Health Insurance Program, CMS, HHS
Phone: (877) 543-7669 (KIDS NOW)
Internet Address: http://www.cms.hhs.gov/schip

Social Security Administration Office of Public Inquiries
Phone: (800) 772-1213
Internet Address: http://www.ssa.gov

Center For Women Veterans
Phone: (800) 827-1000
Internet Address: http://www1.va.gov/womenvet

TRICARE/U.S. Department of Defense Military Health System
Phone: (888) DOD-CARE (363-2273)
Internet Address: http://www.tricare.mil

America's Health Insurance Plans
Phone: (202) 778-3200
Internet Address: http://www.ahip.org

National Association of Insurance Commissioners (NAIC)
Phone: (816) 842-3600
Internet Address: http://www.naic.org

Agency for Healthcare Research & Quality
Phone: (301) 427-1364
Internet Address: http://www.ahrq.gov

The Commonwealth Fund
Phone: (212) 606-3800
Internet Address: http://www.cmwf.org

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