

Name:

Students will be able to:

- Understand the importance of having health insurance
- Identify the various costs affiliated with having health insurance
- Explain how health insurance works and the different types of plans available to them
- Explore steps they can take to lower their medical costs



QUESTION OF THE DAY: How much does an average overnight hospital stay cost?

Answer the question on the first slide in the space below. Then, compare your answer to the answer on the second slide. Finally, answer the additional questions that follow.

1. **How much does an average overnight hospital stay cost?**

2. **Why do you think the cost varies based on a person's insurance status?**

3. **Even though the total cost of an uninsured hospital stay is lower, why would an uninsured person actually end up paying more than those with insurance?**



EDPUZZLE: How Health Insurance Works

Even with insurance, medical billing can be extremely confusing, which is unfortunate, because health care typically costs a lot of money. It's a situation where transparent costs would be appreciated by consumers. This video provides an overview of how costs are shared between the

insured person and their health insurance company. Watch this video and follow your teacher's directions to answer the questions either in your student activity packet or within the EdPuzzle itself.

NOTE: EdPuzzle videos shuffle answer choices and do not always match the order provided in the lesson here.

1. What is a premium?

- a. The amount you pay to buy an insurance policy
- b. A specified amount of money that the insured must pay before an insurance company will pay a claim
- c. An arrangement by which a company provides a guarantee of compensation for a specified loss
- d. Measures that are taken for disease prevention

2. Who typically pays for health care expenses once you have met your deductible?

- a. You pay for all health care expenses
- b. Your insurance pays for all health care expenses
- c. You and your insurance company share the cost of health care expenses
- d. No one pays; once you meet your deductible, your health care expenses are free

3. What happens when you have reached your health care deductible and out-of-pocket maximum?

- a. You will continue to pay 100% of your healthcare costs out-of-pocket
- b. You will pay 50% of your healthcare costs out-of-pocket, which includes co-pays
- c. The insurance company pays all covered costs for the rest of the year, with no annual limit
- d. The insurance company pays for all covered costs for the rest of your life

4. Which answer uses the terms premium, deductible, and out-of-pocket maximum correctly?

- a. You pay a monthly premium for your health insurance. You pay for health services until you meet your deductible. Once you meet your out-of-pocket maximum, your insurance pays the rest of your health care costs for that year.
- b. You pay a monthly deductible for your health insurance. You and your health insurance company share health care costs by paying separate premium costs. Once you meet your out-of-pocket maximum, your insurance company pays your health care costs except for your copays.
- c. You pay a monthly premium for your health insurance. Your insurance will cover a specific percentage of your health insurance costs up to an out-of-pocket maximum. Once you have reached your maximum limit, your only out-of-pocket expense is your deductible.
- d. You pay a monthly deductible for your health insurance. When you use your health insurance, you will pay your premium out-of-pocket. Once you meet your out-of-pocket maximum for the year, your insurance will pay the remaining amount of your health care costs.

 **DO IT****ACTIVITY: COMPARE: Types of Health Insurance Plans**

Now that you know how costs are split between the insured party and the health insurance company, let's learn what different types of plans are available. Follow the directions on the worksheet to complete this activity.

 **LEARN IT****VIDEO: I'm Young & Healthy, Can I Skip Health Insurance?**

After all of this, you might be thinking that healthcare costs a lot, and it does. And, if you're lucky, you might be thinking that you don't really need health insurance because you are young and healthy. Watch this video to learn why skipping health insurance might not be a great idea. Then, answer the questions.

- 1. What was the approximate cost of a private health insurance plan, in 2018, for...**
 - a. An individual?

 - b. A family?

- 2. Do you think costs have increased or decreased since 2018? Explain your thinking.**

- 3. Why can't a healthy lifestyle and a medical history with no major incidents be enough to guarantee low health care costs going forward?**

- 4. What is a high deductible health plan (HDHP)?**

5. What is a health savings account (HSA)?

INFOGRAPHIC: [Three Options to Pay Off Past Medical Bills During Hard Times](#)

Regardless of whether you have or do not have health insurance, lingering medical bills can have a significant negative impact on your financial well being, as well as your health – debt is stressful, which isn't good for your wallet or your body! Review this infographic to learn how you can pay off the medical bills in difficult times and answer the questions.

- 1. Why might your creditors rather work out a payment plan with you than just send your debt to collections?**

- 2. None of these strategies suggest transferring your medical debt onto a credit card or taking out a short-term loan to cover the costs. Why do you suppose that's the case?**



EXIT TICKET

Follow your teacher's directions to complete the Exit Ticket.