

Types of Health Insurance Plans And Options

On the market today, there is an extensive range of different health insurance choices that cover medical costs in case you need them.



Types of Health Insurance By Networks

What is a health care network?

It is a group of providers (such as doctors, hospitals and etc.) that provide health care under specified terms to those people who are enrolled in a particular insurance plan.

There are 2 main types of health insurance plans:



Indemnity Insurance

It allows you to decide when and from whom to seek health care. Also, it offers you more flexibility in choosing doctors and hospitals.

There is no network of providers! The indemnity insurance plan mostly has higher premiums.



Managed Care

Managed care is a health care provided by a network of medical professionals such as doctors, hospitals, and other providers.

There are 3 main types of managed care plans:



Health maintenance organizations (HMOs)

HMO is a medical insurance group that provides health services with providers under contract.

It limits coverage to care from doctors who work for the HMO. You pick a primary care provider who coordinates all of your care.

If you have to visit specialists, it requires referrals from your primary care provider in order for the insurer to cover the visits.



Preferred provider organizations (PPOs)

PPOs plans offer more flexibility than HMOs in choosing care providers.

PPOs allow participants to venture out of the provider network.

When you go out of the plan's network for care, PPOs works like fee-for-service.

You do not need a referral to see a specialist, but you may need to do some paperwork.



Point-of-Service Plans (POS)

POS combines the characteristics of HMO and PPO.

The Similarity with HMO: you choose an in-network physician to be your primary care provider.

The Similarity with PPO: you may go outside of the provider network for health care services.

Health Insurance Options Depending On How You get Them



Group Insurance

If you get health insurance through your employer or organization to which you belong, it means you have a group insurance.

When employees obtain health insurance through their employer, the premiums of the health insurance plan are shared between the employee and the employer.



Individual Health Insurance

We talk about individual health insurance when you purchase your own health insurance directly from an insurance company.

It is obvious that, when you buy individual health insurance, you have to pay the entire premium.

Health Insurance By Covered Individuals



Health insurance plan that covers one person

It is a self-only coverage where you are the only person insured.



Family coverage

It means that the insurance cover you and your family members.



Other groupings

Example here is a self-insurance plus one, a self-insurance plus two and other combinations.

