

UNDERSTANDING INSURANCE PLAN OPTIONS

Health Maintenance Organization (HMO)

An HMO plan generally provides comprehensive coverage by requiring members to receive services from a contracted medical group. As an HMO member, you must choose a Primary Care Physician (PCP) from one of the primary care specialties, such as Family Practice, Internal Medicine, or Pediatrics. Your PCP will coordinate your health care and refer you to Specialists if medically necessary. Referrals are usually made primarily within the medical group. You may be responsible for co-payments, deductibles and non-covered services.

Preferred Provider Organization (PPO)

Insurance companies contract with medical groups and hospitals to provide medical services to PPO members for discounted rates. If you choose a PPO, you select a PCP from a preferred provider network in order to receive your benefits at the lowest cost. If you go "out of network," your fees (deductibles and co-payments) may be much higher.

Point of Service Plans (POS)

A POS plan allows the member to choose to receive a service from their participating medical group or from a non-participating provider, with two different corresponding benefit levels. Many versions of this type of benefit exist and some employers offer their employees the option of choosing from several of these plans.

Indemnity Plans/"Fee for Service"

These plans allow you to choose your providers from any group or health care facility. You are responsible for a percentage of your health care costs, which may take the form of deductibles or reimbursements. One disadvantage of this type of traditional insurance is that it doesn't cover many preventive medicines and procedures, such as routine physicals.

Medicare Advantage HMO Plans

These plans provide an alternative to basic Medicare coverage. If you are eligible for Medicare and have both Part A and Part B coverage, you may qualify to enroll in a Medicare Advantage Plan. These plans may offer the member more services than traditional Medicare, including periodic health evaluations, pharmacy benefits and hearing aids.