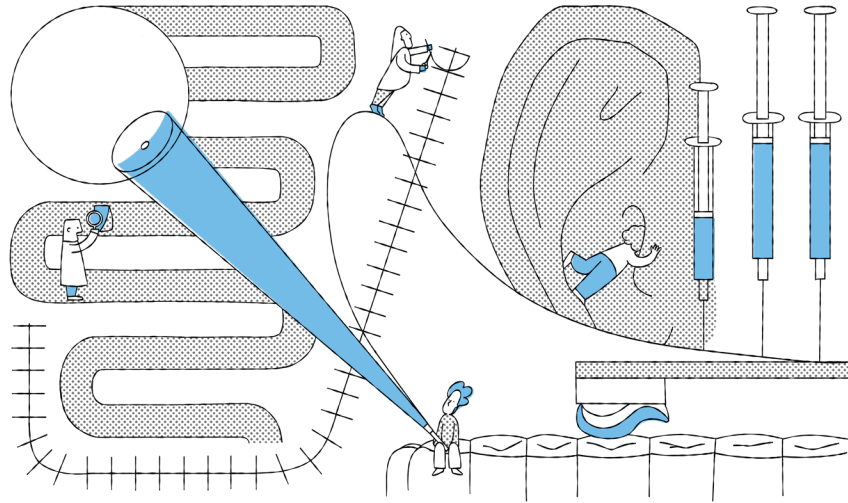


Common Types of Private Health Insurance Plans

What Plan is Best For Me?

With so many plans, it can be confusing what is best for you!

Take a look below for common types of private plans that might suit your health needs. Note that all allow for out-of-network care if there is an emergency and that most plans are legally required to cover certain preventive services at no cost to you.



- ※ **In-network**
Providers or facilities your insurance designates as part of the network
- PCP**
Primary care provider (physician)

HMO

Health Maintenance Organization

Made up of a network of specific providers. Patients are only covered if they see one of the providers in the network, must have PCPs, and need referrals to see specialists. Is cost-friendly for users because of in-network care.

User Profile

For people looking for a less expensive option and don't require specialized care

Pros

- ❑ **Less Complicated Billing**
Don't need to file as many claims
- ❑ **Usually the Most Cost-Friendly**
Usually no deductible and smaller monthly premiums or copayments
- ❑ **Coordinated & Preventative Care**
Established relationship with PCP who coordinates care and encourages preventative services

Cons

- ❑ **Limits You to In-Network**
Only certain providers/areas where you can receive coverage
- ❑ **PCP Needed for Referrals**
You must see your PCP before you can see any specialists.
- ❑ **Patient Quotas**
Physicians usually required to see minimum number of patients daily. Limits time spent with each patient

PPO

Preferred Provider Organization

Patients have large flexibility in which provider they see because out-of-network care is covered (but cost-sharing is lower for in-network than out-of-network). No referral is needed and patients have more control over their healthcare, in exchange for higher costs.

User Profile

Someone who is willing to pay more in exchange for larger flexibility and more choices.

Pros

- ❑ **More Flexibility**
Do not need to choose a PCP. Can choose from many providers both in-network and out-of-network. Can make it easier to get earlier appointments
- ❑ **PCP Not Needed for Referrals**
Can make appointment directly with a specialist
- ❑ **Better Coverage When Traveling**
Still covered out-of-network so not limited to home city area

Cons

- ❑ **Higher Costs**
Typically higher premiums. Out-of-network covered but most PPOs designate certain out-of-network "preferred providers" that are cheaper
- ❑ **More Responsibility Managing Care**
PCP not required and more providers to have to choose from
- ❑ **Usually Have Deductibles**
You must meet the deductible before your insurance begins to pay

EPO

Exclusive Provider Organization

An EPO allows for coverage only within your network but doesn't require referrals. Healthcare provided from outside this network has no out-of-network benefits. Not as commonly offered as other types of plans.

User Profile

For a person who plans to see specialists, perhaps for a chronic health condition. This way, there is no need to pay for an appointment with a PCP to receive a referral.

Pros

- ❑ **PCP Not Needed for Referrals**
Can make appointment directly with a specialist
- ❑ **Typically Larger Provider Networks**
Typically larger networks than HMOs allowing for more options

Cons

- ❑ **Limits You to In-Network.**
Only certain providers/areas where you can receive coverage
- ❑ **Intermediate Costs**
Typically more expensive than HMO (higher premiums and out-of-network deductibles) but cheaper than PPO

POS

Point of Service

A POS plan can be thought of as a hybrid between the PPO and HMO plans; like PPOs, this plan allows you to receive out-of-network benefits, and like HMOs, it is typically required to choose an in-network primary care physician.

User Profile

For a patient who plans to use out-of-network care providers frequently, or if their preferred primary care physician is already in the network.

Pros

- ❑ **Better Coverage When Traveling**
Still covered out-of-network so not limited to home city area
- ❑ **Coordinated & Preventative Care**
Established relationship with PCP who coordinates care and encourages preventative services

Cons

- ❑ **PCP Needed for Referrals**
You must see your PCP before you can see any specialists.
- ❑ **Intermediate Costs**
Typically more expensive than HMO (higher premiums and out-of-network deductibles) but cheaper than PPO

HSA

HRA

FSA

PPO

Cost (Non-deductibles like premiums)

Low

Moderate

Moderate

High

Out-of-Network Coverage?

No

No

Yes

Yes

Referrals Needed for Specialists?

Yes

No

Yes

No

Required Primary Care Physician?

Yes

Optional

Yes

No

Sources:

- 1 Dmhc.ca.gov
- 2 Goodrx.com
- 3 Healthcare.gov
- 4 "HMO, POS, PPO, EPO and HDHP with HSA: What's the difference?", Aetna
- 5 Medicare.gov
- 6 "Types of Coverage", Insurance.ca.gov
- 7 "Understand Your Point-of-Service Plan's Trade-Off", GoHealth
- 8 "What is an HMO?", Very Well Health