Take Charge of Your Money

A University of Hawai'i Cooperative Extension Service Project

www.ctahr.hawaii.edu/tcym
Course Objectives

• Increase your knowledge about financial planning
• Improve your ability to make informed decisions
Understanding Insurance Can Keep You Healthy
Hawai'i Department of Commerce & Consumer Affairs

Presenters

Gordon Ito
- Insurance Commissioner

Lisa Lemon
- Health Branch Investigator

Lloyd Lim
- Health Cost & Regulatory Analyst
Lesson Objectives

• Learn about Hawai'i’s evolving health care industry and the importance of health insurance
• Learn about insurance plan options and where to purchase them
HMO & PPO Models

- Benefits of HMO model
- Benefits of free choice PPO model
Tips about Using a Plan

• Choose a plan that is right for you
• Learn your plan and its benefits
  • Verify treatments covered
  • Determine provider status
• Appeal adverse decisions
Health Insurance Basics

• Why Buy Health Insurance?
• Access to Health Insurance
• Benefits
• Cost Sharing
• Exchanges
• Big Picture Items
Why Buy Health Insurance?

• “Young Invincible”
• Healthy people don’t like to pay
• Healthy people subsidize the sick
• 80% of costs are due to 20%
• 50% of the costs are due to 5%
Access to Health Insurance

- **Prepaid Health Care Act:** Employees who work more than 20 hours a week get health insurance paid by their employers.

- **Affordable Care Act:** People can get individual insurance even if they have a pre-existing condition or “guaranteed issuance”
• Under Prepaid Health Care Act and the Affordable Care Act, Hawai'i people have rich benefits
• The richer the benefits, the higher the premium
• Not everything is covered. (e.g., experimental treatments)
Cost Sharing

- Insurance pays most of the medical bill, but you will pay some of it
  - Deductibles
  - Copayments
  - Coinsurance
- Metal levels and the MOOP (maximum out of pocket)
- Think about your ability to pay
• An insurance company is a pass-through
• Premiums are collected annually and passed through to pay annual claims; not a bank account
• Healthcare costs are rising faster than general inflation; could impact access and quality down the road
Contact for More Information

Hawai'i Insurance Division

• Phone (808) 586-2790

• [http://cca.hawaii.gov/ins](http://cca.hawaii.gov/ins)

• [http://www.facebook.com/InsuranceHI](http://www.facebook.com/InsuranceHI)

• @InsuranceHI
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- University of Hawai'i at Mānoa
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