



A University of Hawai'i Cooperative Extension Service Project

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Course Objectives



- Increase your knowledge about financial planning
- Improve your ability to make informed decisions



Understanding Insurance
Can Keep You Healthy

Presenters



Hawai'i Department of Commerce & Consumer Affairs



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”

Benefits



- 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

Big Picture Items



- 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://www.facebook.com/InsuranceHI>



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Credits



We would like to thank the following groups for their support:

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