

# Insurance Made Simple

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## Individual and Family Health

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*Boone Insurance Associates 101 Education Guide: New*

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**Boone Insurance  
Associates**

# About Boone Insurance Associates

- ☐ Boone Insurance Associates provides health and life insurance products to clients all over Oregon.
- ☐ We work directly with the companies to resolve any of your claim, benefit, & premium questions.
- ☐ Unlike a captive insurance producer who represents that insurance company alone, we are independent of a specific insurance company and represent a variety of different companies and products.
- ☐ Boone Insurance Associates provides this educational program today to help inform you. There is no obligation for you to purchase services from us.

**"Our pledge is to provide our clients with superior customer service and product knowledge in order to guide them in making the most informed decisions."**

# Signing up for Insurance?



- **During Open Enrollment**

- You can start shopping on November 1<sup>st</sup> of each year for a January 1<sup>st</sup> effective date

- **SEP (Special Election Period)**

- Contact our office 60 days out from your desired effective date or as soon as you are notified of your Special Election

# Basic Terminology



- The world of health insurance has many terms that can be confusing. Understanding your costs and benefits—and estimating the price of a visit to the doctor—becomes much easier once you can make sense of the terminology.

# Premium



- The amount of money charged by an insurance company for coverage
- The insurance premium is the cost of your insurance

- **Premium Example:**

When researching health insurance, you may choose a plan with a monthly cost, called a premium—for example, \$500 per month. To keep your benefits active, the premium must be paid in full every month. If you have a Marketplace plan with a premium subsidy, the government pays the subsidized portion directly to your insurer, and you are responsible for the remaining balance. Timely payment ensures your coverage remains in force.



# Copays

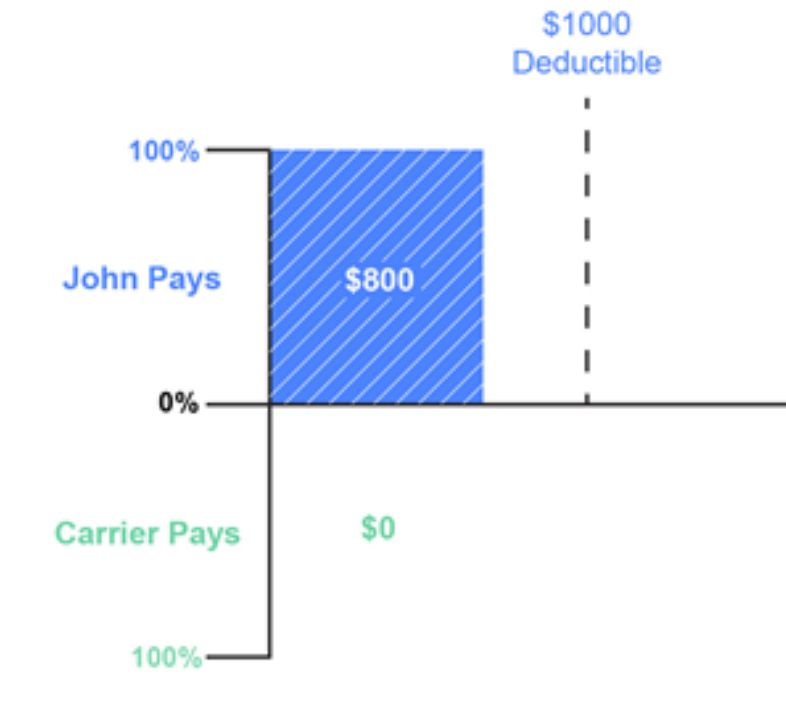


- A copayment, or copay, is a fixed amount you pay for a covered health care service, usually when you get the service. The amount can vary by the type of covered health care service.
- **Copayment Example:** Sally takes her son to the pediatrician for a bad cough. She has a copay of \$15 at the doctor's office.

Cost of visit:	\$200
Sally pays:	\$15
Health plan pays:	\$185

# Deductible

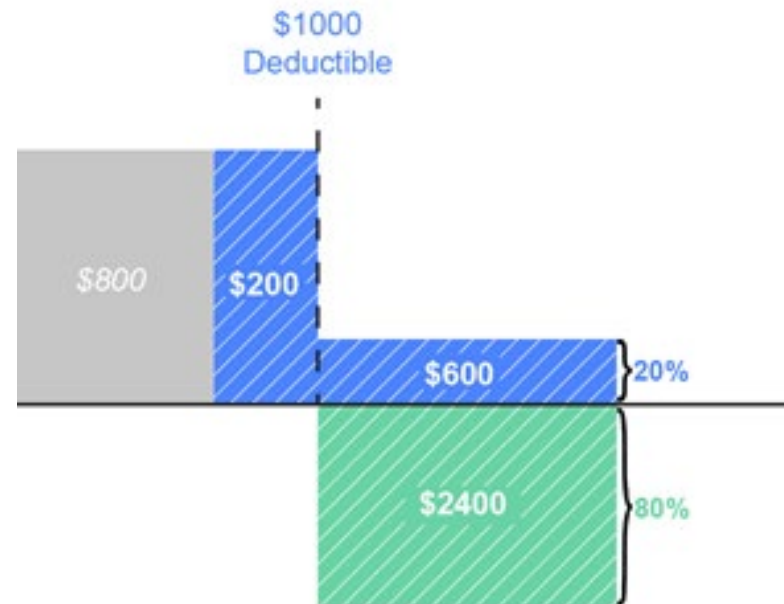
- The amount you owe for health care services each year before the insurance company begins to pay
- **Deductible Example:** John has a health plan with a \$1,000 annual deductible. John falls off his roof and has to have three knee surgeries, the first of which is \$800. Because John hasn't paid anything toward his deductible yet this year, and because the \$800 surgery doesn't meet the deductible, John is responsible for 100 percent of his first surgery.



# Coinsurance



- Your share of the costs of a covered health care service calculated as a percent of the allowed amount for the service
- **Coinsurance Example:** John's second surgery occurs in the same plan year as his first and costs \$3,200. Because he has already paid \$800 toward his \$1,000 annual deductible, John is responsible for the first \$200 of the second surgery. After that, he has met his deductible and his carrier will cover 80 percent of the remaining cost, a total of \$2,400. John will still be responsible for 20 percent, or \$600, of the remaining cost. The total John must pay for his second surgery is \$800.





# Out of Pocket Maximum: OOPM

- An Out-of-Pocket Maximum (OOPM) is the highest amount you are required to pay for covered healthcare in a year, excluding your monthly premium. Once you reach your OOPM, your health plan covers 100% of the allowed costs for covered services for the rest of the year.
- **OOPM Example:** John's third surgery occurs in the same plan year as his first two and costs a total of \$8,000. John has already met his deductible, so he only needs to pay the coinsurance on this surgery, up to the plan's OOPM of \$3,000. Because John has already spent \$1,600 towards his OOPM on previous health care costs this year, he only needs to spend \$1,400 before he hits his OOPM. Once he hits the OOPM, his plan covers the remaining costs. Therefore, John's coinsurance total for the third surgery is \$1,400—the 20 percent coinsurance cost, up to the \$3,000 maximum—and his plan's total is the remaining \$6,600 (on the chart, this is shown as \$5,600 before the OOPM, plus \$1,000 after John hits his OOPM).



# Two Markets to Purchase From

- **Private Market**

- Guarantee Issue (no pre-existing condition clause)
- No tax credits
- Simplified enrollment process

- **Health Insurance Marketplace**

- Guarantee Issue (no pre-existing condition clause)
- Tax credits available to help pay premiums if income is under 400% Federal Poverty Level (FPL)
- Longer and more detailed enrollment process

# Health Insurance Marketplace



## ○ Health Insurance Marketplaces

- Beginning in 2014, Marketplaces began primarily serving individuals buying insurance on their own and small businesses with up to 50 employees.
- States can establish their own Marketplaces or use Federally Facilitated Marketplace (FFM).
- Oregon uses the FFM or Healthcare.gov
- Plans offered through a Marketplace are known as “Qualified Health Plans,” or “QHPs.” QHPs will have to offer a set of "essential benefits."

# Affordable Care Act (ACA)

- Individuals who sign up for insurance through a Marketplace may be eligible for federal subsidies (tax credits or cost-sharing reductions, see next page for chart)
  - Tax Credits – Under 400% FPL (Federal Poverty Level)
  - Cost Sharing Plans – Under 250% FPL
  - Medicaid
    - Adults – Under 138% FPL
    - Kids – Under 300% FPL

# Federal Poverty Level Chart



**Premium Tax Credits (100-400%)**

**American Indian/Alaska Native (AI/AN) Zero Cost Sharing (100-300%)**

**AI/AN Limited Cost Sharing (over 300%)**

**Cost-sharing Reductions (100-250%)**

Federal Poverty Level		100%	133%	138%	190%	200%	205%	250%	300%	305%	400%
Family Size	1	\$15,650 \$1,304/mo	\$20,815 \$1,735/mo	\$21,997 \$1,800/mo	Plus one per each expected baby	\$31,300 \$2,608/mo	\$32,083 \$2,674/mo	\$39,125 \$3,260/mo	\$46,950 \$3,913/mo	\$47,733 \$3,978/mo	\$62,600 \$5,217/mo
	2	\$21,150 \$1,763/mo	\$28,130 \$2,344/mo	\$29,187 \$2,433/mo	\$40,185 \$3,349/mo	\$42,300 \$3,525/mo	\$43,358 \$3,614/mo	\$52,875 \$4,406/mo	\$63,450 \$5,288/mo	\$64,508 \$5,376/mo	\$84,600 \$7,050/mo
	3	\$26,650 \$2,221/mo	\$35,445 \$2,954/mo	\$36,777 \$3,065/mo	\$50,635 \$4,220/mo	\$53,300 \$4,442/mo	\$54,633 \$4,553/mo	\$66,625 \$5,552/mo	\$79,950 \$6,663/mo	\$81,283 \$6,774/mo	\$106,600 \$8,883/mo
	4	\$32,150 \$2,679/mo	\$42,760 \$3,563/mo	\$44,367 \$3,698/mo	\$61,085 \$5,091/mo	\$64,300 \$5,358/mo	\$65,908 \$5,493/mo	\$80,375 \$6,698/mo	\$96,450 \$8,038/mo	\$98,058 \$8,172/mo	\$128,600 \$10,717/mo
	5	\$37,650 \$3,138/mo	\$50,075 \$4,173/mo	\$51,957 \$4,330/mo	\$71,535 \$5,962/mo	\$75,300 \$6,275/mo	\$77,183 \$6,432/mo	\$94,125 \$7,844/mo	\$112,950 \$9,413/mo	\$114,833 \$9,570/mo	\$150,600 \$12,550/mo
	6	\$43,150 \$3,596/mo	\$57,390 \$4,782/mo	\$59,547 \$4,963/mo	\$81,985 \$6,833/mo	\$86,300 \$7,192/mo	\$88,458 \$7,372/mo	\$107,875 \$8,990/mo	\$129,450 \$10,788/mo	\$131,608 \$10,968/mo	\$172,600 \$14,383/mo
	7	\$48,650 \$4,054/mo	\$64,705 \$5,392/mo	\$67,137 \$5,595/mo	\$92,435 \$7,703/mo	\$97,300 \$8,108/mo	\$99,733 \$8,312/mo	\$121,625 \$10,135/mo	\$145,950 \$12,163/mo	\$148,383 \$12,366/mo	\$194,600 \$16,217/mo
	8	\$54,150 \$4,513/mo	\$72,020 \$6,002/mo	\$74,727 \$6,228/mo	\$102,885 \$8,574/mo	\$108,300 \$9,025/mo	\$111,008 \$9,251/mo	\$135,375 \$11,281/mo	\$162,450 \$13,538/mo	\$165,158 \$13,764/mo	\$216,600 \$18,050/mo
Oregon Health Plan (OHP) (0-138%)					OHP for Pregnant People (139-190%)	OHP for Young Adults with Special Health Care Needs (YSCHN) (139-205%) <sup>1</sup>		OHP for Kids Under 19 (139-305%)			
OHP Bridge for Adults 19-64 (133-200%) <sup>1</sup>						OHP Bridge for AI/AN (133-205%) <sup>1</sup>					

# Types of Plans



- Plans in the Health Insurance Marketplace are presented in 3 “metal” categories: Bronze, Silver and Gold
- Metal categories are based on how you and your plan split the costs of your health care. They have nothing to do with quality of care.

# Metal Categories

- **Bronze**

- Lowest monthly premium
- Highest costs when you need care
- Generally cover about 60% of total average costs after deductible is met
- **Good choice if:** You want a low-cost way to protect yourself from worst-case medical scenarios, like serious sickness or injury. Your monthly premium will be low, but you'll have to pay for most routine care yourself

# Metal Categories

## ○ Silver

- Moderate monthly premium
- Moderate costs when you need care
- Silver deductibles — the costs you pay yourself before your plan pays anything — are usually lower than those of Bronze plans.
- Generally cover about 70% of total average costs after deductible is met
- **Good choice if:** You're willing to pay a slightly higher monthly premium than Bronze to have more of your routine care covered.



# Metal Categories

- **Gold**

- High monthly premium
- Low costs when you need care
- Deductibles — the amount of medical costs you pay yourself before your plan pays — are usually the lowest
- Generally cover about 80% of total average costs after deductible is met
- **Good choice if:** You're willing to pay more each month to have more costs covered when you get medical treatment. If you use a lot of care, a Gold plan could be a good value.

# Networks






- **Preferred Provider Organization (PPO)**
  - Has a network of providers, but also allows use of medical providers outside of the plan's network (typically with greater employee cost-sharing). Referrals may not be required. Is more flexible than an HMO, but also more expensive generally.
- **Exclusive Provider Organization (EPO)**
  - Covers services performed solely by providers in a network. This tends to be a low-cost system but is more restrictive than other plans.
  - Does not require referrals
- **Health Maintenance Organization (HMO)**
  - Covers services performed solely by providers in a network. This tends to be a low-cost system but is more restrictive than other plans.
  - Requires referrals to see a specialist
- **High Deductible Health Plan (HDHP)**
  - A high deductible health plan is often paired with a tax-advantaged account to pay for medical expenses. The most prominent options are health reimbursement arrangements (HRAs) and health savings accounts (HSAs) used in conjunction with savings accounts.

# Prescription Benefits



- Most plans have Rx benefit included in health plan maximum
- Most plans use a MAC (Maximum Allowable Charge) “A” formulary
- Drugs on a formulary are typically grouped into tiers. The tier that your medication is in determines your portion of the drug cost. A typical drug benefit includes three or four tiers: Tier 1 usually includes generic medications

		GENERIC DRUGS	PREFERRED BRAND NAME DRUGS	NON-PREFERRED BRAND NAME DRUGS	SPECIALTY DRUGS
	BRONZE	26%	37%	43%	40%
	SILVER	25%	29%	39%	38%
	GOLD	18%	28%	41%	32%

# Enrollment Periods



- OEP (Open Enrollment Period) 2026:
  - November 1-December 15: Enroll or switch plans for a 1/1/27 effective date
- SEP (Special Election Period) – Any time during the year if you have a qualifying event such as:
  - Loss of Employer Coverage
  - Marriage or Divorce
  - Birth or adoption of a child
  - Death
  - Move
  - Release from Incarceration
  - Income Change

# Extra Help: Medicaid

- Medicaid provides health coverage for eligible low-income individuals, including families, children, pregnant women, seniors, and individuals with disabilities.
- While Medicaid programs are required to adhere to federal guidelines, the specific coverage options and costs vary by state.
- Some Medicaid programs deliver care directly, while others contract with private insurance companies to administer Medicaid benefits.
- In Oregon, Medicaid is offered through the Oregon Health Plan (OHP).
- For additional information, visit [oregonhealthcare.gov](https://oregonhealthcare.gov).

# Getting Help



- BIA is here to help!
  - Call our office to speak to a licensed agent at:  
541-345-3707
  - Visit our website at:  
[www.booneinsuranceassociates.com](http://www.booneinsuranceassociates.com)
  - Email our Sales Team at:  
[SalesISA@booneinsuranceassociates.com](mailto:SalesISA@booneinsuranceassociates.com)

Thank you!