

Insurance Made Simple

Individual and Family Health

BIA

Boone Insurance Associates 101 Education Guide: New



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 1st of each year for a January 1st 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



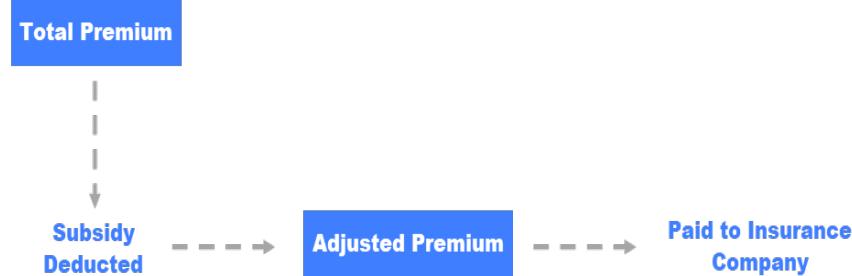
- The world of health insurance has many terms that can be confusing. Understanding your costs and benefits—and estimating the price of a visit to the doctor—becomes much easier once you can make sense of the terminology.

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

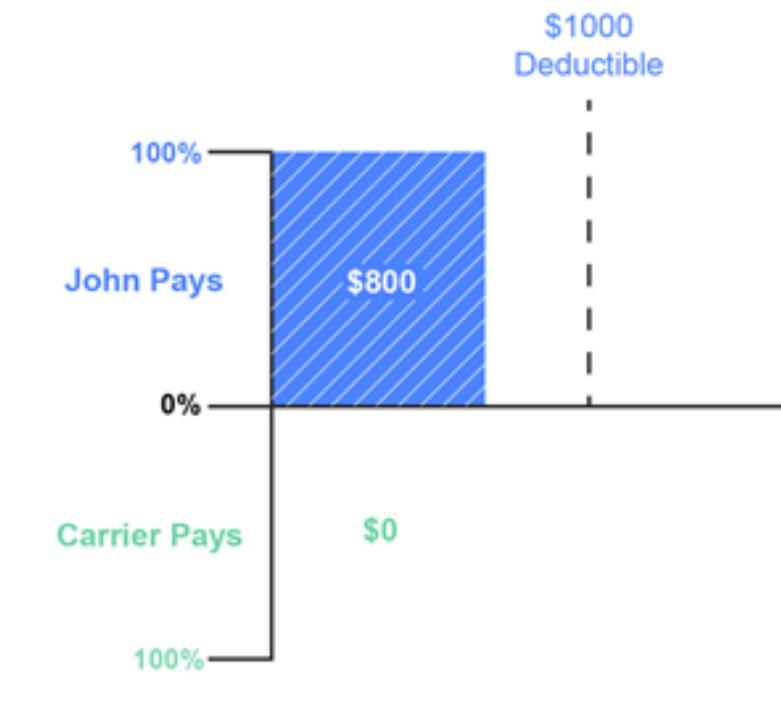


- A copayment, or copay, is a fixed amount you pay for a covered health care service, usually when you get the service. The amount can vary by the type of covered health care service.
- **Copayment Example:** Sally takes her son to the pediatrician for a bad cough. She has a copay of \$15 at the doctor's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

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

Deductible

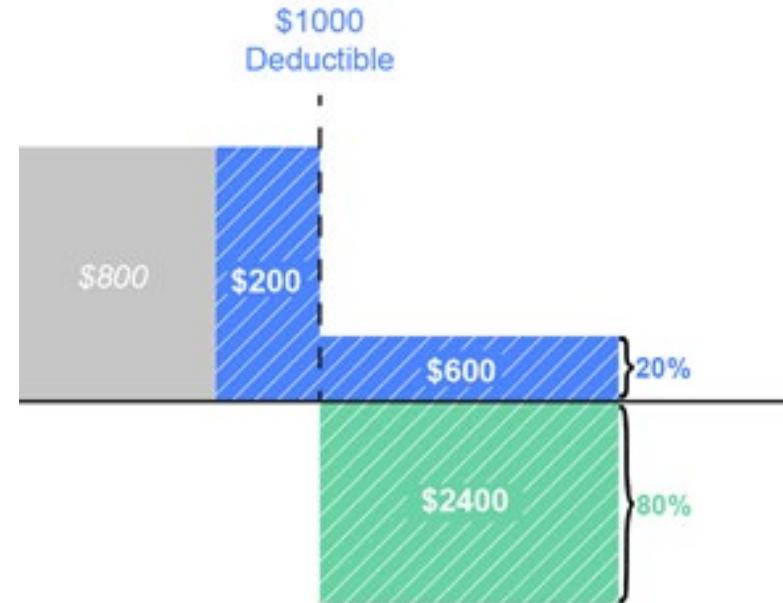
- The amount you owe for health care services each year before the insurance company begins to pay
- **Deductible Example:** John has a health plan with a \$1,000 annual deductible. John falls off his roof and has to have three knee surgeries, the first of which is \$800. Because John hasn't paid anything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

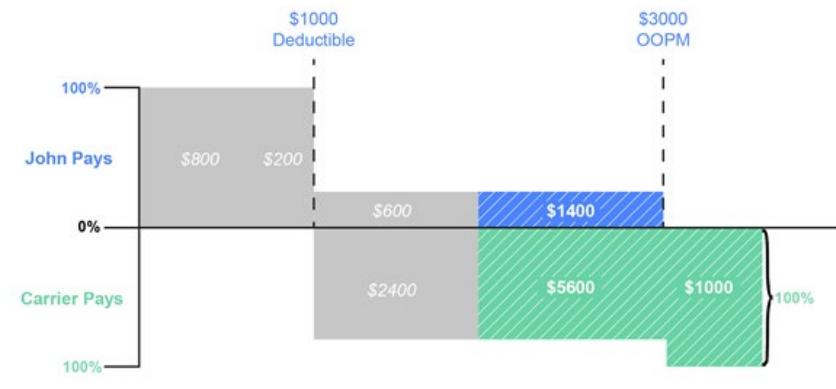


- Your share of the costs of a covered health care service calculated as a percent of the allowed amount for the service
- **Coinurance Example:** John's second surgery occurs in the same plan year as his first and costs \$3,200. Because he has already paid \$800 toward his \$1,000 annual deductible, 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%) ¹	OHP for Young Adults with Special Health Care Needs (YSCHN) (139-205%) ¹			OHP for Kids Under 19 (139-305%)			
				OHP Bridge for Adults 19-64 (133-200%) ¹			OHP Bridge for AI/AN (133-205%) ¹				

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.

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
 - Email our Sales Team at:
SalesISA@booneinsuranceassociates.com

Thank you!