

DISRUPTIVE DIALOGUE



HEALTHCARE 101 PRIVATE INSURANCE - III

OVERVIEW OF PRIVATE HEALTH INSURANCE IN THE U.S.

PART 3

SOLUTIONS & STRATEGIES TO NAVIGATE PRIVATE INSURANCE IN THE US

REVIEW OF PREVIOUS TWO EPISODES ON PRIVATE INSURANCE IN THE US

PRO's

- ❖ Lots of choices – PPO's, HMO's, EPO,s etc.
- ❖ Choice of plans via Marketplace.
- ❖ Preventive services usually covered.
- ❖ Financial protection from catastrophic costs

CON's

- ❖ High and rising out-of-pocket costs.
- ❖ Limited billing and coverage transparency.
- ❖ Surprise out-of-network bills.
- ❖ Complex rules and administrative burden.
- ❖ Barriers to Access & Care (ex. prior authorizations).

- ❖ We must become better consumers.
- ❖ Do your research and don't wait till the last minute.
- ❖ Work with your healthcare practitioners to navigate the medical landscape.
- ❖ If you are denied or delayed care, don't give up – you have rights and you can overcome barriers put in front of you.
- ❖ Communicate with your legislators and let them know when insurance policies are hurting you.

SOLUTIONS & STRATEGIES TO NAVIGATE PRIVATE INSURANCE IN THE US

- ❖ **Know what your Health Insurance Covers.**
- ❖ **Take advantage of all the health benefits that are fully covered by your premiums.**
- ❖ **Know when you can enroll and plan accordingly.**
- ❖ **Leverage all resources available.**

INSURANCE ENROLLMENT PERIODS

OPEN ENROLLMENT

November 1 to January 15

- ❖ Is considered the time period when people can apply for health insurance coverage through the Affordable Care Act (ACA) Marketplace. It is commonly referred to as OPEN ENROLLMENT.

Key dates to remember:

- ❖ **November 1:** Open enrollment begins, and you can start enrolling in or changing health plans.
- ❖ **December 15:** This is the last day to enroll or change your plan if you want your coverage to begin on **January 1** of the following year.
- ❖ **January 15:** Open enrollment ends. This is the last day to enroll in or change Marketplace plans for the year.
 - ❖ If you enroll between December 16 and January 15, your coverage will begin on February 1.

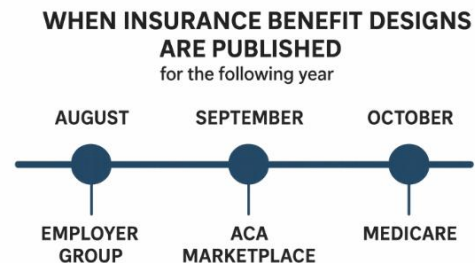
Note

- The recently passed OBBA will shorten this enrollment period, but that will not go into effect until next year.

Benefit Design Timelines

Most health insurance companies typically **publish their benefit designs (plan details, rates, and formularies) for the upcoming year between August and October**, depending on the market and regulatory requirements:

- **Late September to early October** - ACA Marketplace (individual/family plans) - ahead of **Open Enrollment (Nov 1 – Jan 15)**.
- **August–October** - **Employer-sponsored group plans (large and small group):** Carriers typically finalize benefit designs and rates by so brokers and employers can review them during fall renewal season (for January 1 effective dates).
- **Late September to early October Medicare Advantage and Part D plans:** Plan details and premiums published for consumers. (before the Annual Enrollment Period, Oct 15 – Dec 7).



CHATGPT IS YOUR FRIEND

- ❖ Here is an example of finding the best health insurance coverage for a typical person using Chat GPT (www.chatgpt.com)
- ❖ This took less than two minutes to be generated.

Example:

- ❖ What is the best coverage for a 28-year-old female, with few health conditions except for anxiety, living in Detroit, Michigan and making about \$60,000 annually?

ChatGPT said:

- ❖ Here's how to figure out **the best health insurance coverage for a 28-year-old woman in Detroit, MI, earning about \$60,000/year, with minimal health needs (mostly anxiety treatment):**

1. Will You Qualify for Subsidies?

- ❖ For **Marketplace (ACA) plans in 2025**, subsidies (tax credits) taper off around **\$58,320/year** (400% of the federal poverty line for 1 person).
- ❖ At \$60,000, you're **just above the subsidy cutoff**, so you'll likely **pay full price** for ACA plans unless you can adjust your income (like contributing to a pre-tax 401(k) to lower taxable income).

CHATGPT IS YOUR FRIEND

What Type of Plan Fits Best?

Since you're generally healthy and mainly need **mental health (therapy or medication)**, here are your options:

1. Option A – ACA Bronze or Silver Plan (Marketplace)

❖ Who this fits:

If you only see a doctor occasionally but want **mental health coverage**, which all ACA plans must cover.

❖ Typical cost in Detroit:

- Bronze: ~\$275–\$350/month (high deductible, ~\$6,000+).
- Silver: ~\$350–\$450/month (lower deductible, \$2,500–\$5,000).

Why this works:

Covers **prescriptions for anxiety meds** and **therapy sessions**, even if the deductible is high.

2. Option B – High-Deductible Health Plan (HDHP) + HSA

Who this fits:

If you're healthy and rarely use care but want to save on premiums and taxes.

Why this works:

You can contribute pre-tax money to a **Health Savings Account (HSA)**, building a cushion for unexpected costs.

Downside:

You pay most costs out-of-pocket until you hit the deductible, but preventive visits and some meds are often covered.

3. Option C – Short-Term Health Plan

Who this fits:

If you want **cheaper coverage** (\$80–\$150/month) and don't expect to need therapy or regular care.

Warning:

These plans **don't cover pre-existing conditions** (including anxiety meds) and don't include mental health benefits. Not ideal unless it's just a temporary safety net.

CHATGPT IS YOUR FRIEND

What's Best for You?

Given:

- ❖ 28, female, Detroit
- ❖ Income \$60k (no subsidy)
- ❖ Healthy but needs **mental health coverage**

- ❖ **The best balance is usually a Silver-level ACA plan or an HDHP with HSA.**

Here's how you might choose:

- ❖ **Want predictable therapy costs?** → Silver plan (copays for therapy).
- ❖ **Want lowest monthly premium & can handle high out-of-pocket risk?** → Bronze HDHP + HSA.

Where to Shop

Go to HealthCare.gov for ACA plans.

For local Detroit options, common carriers include **Blue Cross Blue Shield of Michigan, Priority Health, and McLaren.**

CHATGPT IS YOUR FRIEND

ChatGPT then pro-actively asked me....

Would you like me to:

1. **Find the actual 2025 premium estimates and best Detroit plans** (with mental health coverage)?
2. Or **give you a step-by-step way to lower your taxable income** so you qualify for ACA subsidies (and save ~\$200+/month)?
3. Or **compare ACA vs. employer-based vs. catastrophic/short-term options side by side?**

Which do you want—or all three?

I opted for all three options.

CHATGPT IS YOUR FRIEND

1. Find the actual 2025 premium estimates and best Detroit plans (with mental health coverage)?

- ❖ Real-World Premium Estimates in Detroit 
- ❖ Blue Cross Blue Shield Michigan offers:
 - ❖ Bronze plans around **\$285/month**
 - ❖ Silver plans around **\$398/month** for a 40-year-old profile, likely a bit lower for you as a 28-year-old
 - ❖ sources - [CareSource+1DB101 Michigan+1Rickotis+9MoneyGeek.com+9Salusion+9](#).

Broker aggregate data also lists:

- ❖ Bronze average: ~\$369/month via Oscar
- ❖ Silver average: ~\$499/month via Aetna (statewide average) [HealthCare.gov+2Barron's+2AP News+2MoneyGeek.com](#).
- ❖ Michigan's rate filings confirm Blue Cross HMO Silver Saver plans in Metro Detroit cost **\$380–\$410/month** (age-adjusted likely around \$365–\$395) [Michigan.gov+1MoneyGeek.com+](#)

✅ **Projected 2025 premiums for your profile:**

Bronze: ~\$260–\$300/month

Silver: ~\$360–\$400/month

CHATGPT IS YOUR FRIEND

2. Mental Health Coverage & ACA Protections

- ❖ **All ACA Marketplace plans** (Bronze, Silver, Gold) must cover mental health and substance abuse services, including therapy and anxiety medication—**no denials or lifetime caps allowed**
[HealthCare.gov+15HealthCare.gov+15Michigan.gov+15MoneyGeek.comInvestopedia+3Salusion+3CareSource+3](#).
- ❖ Michigan law ensures ACA protections at the state level, including guaranteed mental health coverage and no discrimination based on pre-existing conditions [AP News](#).

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3. Coverage Options Compared

Option A: ACA Bronze Plan

- ❖ **Premium:** ~\$260–300/mo
- ❖ **Deductible:** High (~\$6,000+), you pay mostly until deductible met
- ❖ **Ideal if:** You use minimal care beyond some prescriptions
- ❖ **Pros:** Low cost monthly, HSA-compatible (per upcoming rule changes starting 2026) [Barron's](#)
- ❖ **Cons:** Therapy & meds out-of-pocket until deductible

Option B: ACA Silver Plan

- ❖ **Premium:** ~\$360–400/mo
- ❖ **Deductible/Copays:** Lower; therapy copays or coinsurance likely sooner
- ❖ **Ideal if:** Consistent mental health care—therapy sessions or medication management
- ❖ **Pros:** Balanced risk/premium; cost-sharing reductions *if* eligible (unlikely with \$60k income)
- ❖ **Cons:** Higher monthly cost

Option C: HDHP + HSA (via IRS-compliant Bronze or Catastrophic plan)

- ❖ **Premium:** Similar to Bronze (maybe \$250–290)
- ❖ **Deductible:** Very high, but you can contribute to an HSA to cover costs pre-tax
- ❖ **Ideal if:** You're healthy, want to save and can self-fund therapy costs until deductible
- ❖ **Pros:** Tax savings, roll-over HSA funds, sometimes preventive meds or visits covered early
- ❖ **Cons:** Therapy will be out-of-pocket until deductible hit

Option D: Short-Term or Catastrophic Plans

- ❖ **Premium:** Very low (\$80–150/mo)
- ❖ **Cons:** Doesn't cover pre-existing conditions like anxiety; no mental health benefit packages; not ACA compliant—not recommended for you.

CHATGPT IS YOUR FRIEND

Would you like **a step-by-step way to lower your taxable income** so you qualify for ACA subsidies (and save ~\$200+/month)?

How to Lower Taxable Income & Possibly Qualify for Subsidies

- ❖ Even though the **enhanced ACA subsidies remain in place through 2025**, Michigan's local premium cost is low enough that at \$60k income you may not qualify for substantial tax credits—since the subsidy cliff is **gradual**, not abrupt
[Priority Health+14Verywell Health+14Barron's+14MoneyGeek.com](#).
- ❖ To attempt subsidized rates, consider:
- ❖ Contributing to a **pre-tax 401(k) or IRA** to reduce modified adjusted gross income (MAGI)
- ❖ Using **HSA contributions** (if paired with HDHP)
- ❖ Claiming deductions like **self-employment expenses** (if applicable)
- ❖ Each \$1,000 of MAGI reduced could slightly increase subsidy eligibility, but you'll need to drop below roughly **~\$58k/year** for modest credit eligibility.

CHATGPT IS YOUR FRIEND

Would you like a comparison of ACA vs. employer-based vs. catastrophic/short-term options side by side?



Summary Comparison Table

Plan Type	Est. Monthly Premium	Out-of-Pocket & Deductible	Mental Health Coverage	Best For
ACA Bronze	~\$260–300	High (~\$6k+), therapy till deductible	Covered but after deductible	Minimal care, controlling monthly cost
ACA Silver	~\$360–400	Moderate, some copays for therapy meds	Covered with earlier cost-sharing	Regular therapy or meds use
HDHP + HSA (Bronze-like)	~\$250–290	High, but HSA funds buffer	Covered post-deductible	Tax savings, saving ahead
Short-Term / Catastrophic	~\$80–150	Limited coverage, excludes mental care	No mental health benefits	Only temporary, emergencies (not ideal here)

CHATGPT IS YOUR FRIEND

Recommendation

- ❖ Given you **anticipate moderate mental health use**, a **Silver ACA plan** from **Blue Cross Blue Shield Michigan** (e.g. **Silver Saver**) is likely your best fit:
- ❖ Predictable copays/coinsurance for therapy and anxiety meds
- ❖ Access to mental health benefits immediately
- ❖ Broad provider network in Metro Detroit
- ❖ Cost: ~\$360–400/month
- ❖ If you prefer lower premium and are comfortable paying out-of-pocket until deductible, a **Bronze HDHP + HSA** is worth considering, especially if you want to build savings.

Where to Enroll & Next Steps

- ❖ **Marketplace enrollment window** runs **November 1, 2024 – January 15, 2025**; select by December 18 for January 1 coverage [CareSourceBCBS MichiganMoneyGeek.com+1Verywell Health+1Michigan.gov](#).
- ❖ **Shop on HealthCare.gov** or Michigan.gov DIFS to compare plans with your age and zip.
- ❖ Focus on carriers like **Blue Cross Blue Shield**, **Priority Health**, **Ambetter/Oscar**, or **CareSource** for local availability.
- ❖ Evaluate:
 - ❖ Therapy copays or coinsurance
 - ❖ Prescription drug tiers (for your meds)
 - ❖ Mental health network access (in-person or telehealth)
 - ❖ Out-of-pocket maximums

CHATGPT IS YOUR FRIEND

CON's to ChatGPT

- ❖ Not always 100% accurate
- ❖ Information is limited to what is available on the web.
- ❖ Providing personal information.

PRO's to ChatGPT

- ❖ Provides a great starting point.
- ❖ Disseminates large amounts of information quickly
- ❖ Can remain anonymous by not sharing personal information like SS#, etc.
- ❖ Allows you to become much more healthcare literate.
- ❖ Allows you to tailor your needs.
- ❖ At a minimum, it gives you a comparator to other advice you may receive.

WHAT PRIVATE INSURANCE COVERS

What Does Health Insurance Cover?

- ❖ A health insurance policy covers many services, procedures and treatments.

Hospital and doctor visits

- ❖ Health insurance covers the cost of visits to see your primary physician, specialists and other medical providers.
- ❖ It also covers when you get health care services at a hospital, whether for emergency care or surgeries, outpatient care, procedures or overnight stays.
- ❖ ***You might be responsible for the plan's deductible, copayment and coinsurance costs.*** But as long as you remain in-network and your care is deemed medically necessary, the health insurance plan should pick up the lion's share of the cost once you reach your plan's deductible.
- ❖ ***NOTE – Coverage does not mean it is FREE. It means the carrier will help pay along with the patients share.***

WHAT PRIVATE INSURANCE COVERS

Essential health benefits

When the [Affordable Care Act](#) passed, it guaranteed that plans offered on the health insurance marketplace cover at least these 10 essential health benefits:

- Ambulatory patient services
- Emergency services
- Hospitalization
- Mental health and substance use disorder services, including behavioral health treatment
- Pediatric services, including oral and vision care (adult dental and vision aren't mandated)
- [Pregnancy](#), maternity and newborn care
- Prescription drugs
- Preventive and wellness services (including shots and screening services) and chronic disease management
- Laboratory services
- Rehabilitative and habilitative services and devices

Health insurance plans also must cover birth control and breastfeeding services.

Preventive services

Note - while individual and small-group health plans are required to cover the ACA's essential health benefits, that's not the case for large-group plans or self-insured plans.

WHAT PRIVATE INSURANCE COVERS

IF IT'S FREE IT'S FOR ME!!

Preventive Services Covered by Premiums

- ❖ ***Under the Affordable Care Act (ACA), private health insurance plans must cover recommended preventive care services without any cost-sharing (deductibles, copayments, or coinsurance).***
- ❖ ***This means that preventive care services, as defined by guidelines from organizations like the U.S. Preventive Services Task Force, must be provided at no cost to the patient.***

Do all health insurance plans have to be ACA compliant?

- ❖ Individual and small-group health plans are required to cover the ACA's essential health benefits.
- ❖ Large-group plans, aka, self-insured plans of any size are not required to follow these ACA requirements.
- ❖ Large employers who self-insure are not always required to follow the same rules as fully insured plans, so it's crucial to check your specific plan details, [according to Healthcare.gov](https://www.healthcare.gov).
- ❖ To determine which preventive care services are covered under a large group self-insured plan's premium, you should first consult your employer's plan documents or contact your human resources (HR) department.
- ❖ You can also contact your plan's member services or check the back of your insurance ID card for a phone number.

WHAT INSURANCE COVERS

IT IT'S FREE IT'S FOR ME!!

Take advantage of the healthcare services that are covered at no cost to patients when they pay their monthly premiums.

Preventive Care Categories:

ACA Market Place Plans

- ❖ These services can be divided into three categories: all adults, women and children.
- ❖ Review the plan documents to see if services are categorized as preventive care.
- ❖ Some plans may have different categories for preventive care, such as [adult preventive care](#), [women's preventive care](#), and [child preventive care](#).

Cost Sharing:

- ❖ Many health plans, including self-insured plans, are required to cover certain preventive services at no cost to the patient, but it's important to verify this with your specific plan.

WHAT INSURANCE COVERS – FOR ALL ADULTS

Type of preventive services	People affected
One-time screening for abdominal aortic aneurysm	Men who smoke or smoked and reach a certain age
Alcohol misuse screening and counseling	No limit
Aspirin to prevent cardiovascular disease and colorectal cancer	People in their 50s with a high cardiovascular risk
Blood pressure screening	No limit
Cholesterol screening	People who are high risk or reach a certain age
Colorectal cancer screening	Adults age 45 to 75
Depression screening	No limit
Diabetes (Type 2) screening	Adults age 40 to 70 who are overweight or obese
Diet counseling	People who are higher risk for chronic disease
Falls prevention (with exercise or physical therapy and vitamin D use)	Adults age 65 and over who live in a community setting
Hepatitis B screening	People at high risk

Note - while individual and small-group health plans are required to cover the ACA's essential health benefits, that's not the case for large-group plans or self-insured plans.

WHAT INSURANCE COVERS – FOR ALL ADULTS

Type of preventive services	People affected
Hepatitis C screening	Adults age 18 to 79
HIV screening	Adults age 15 to 65 and other ages at increased risk
PrEP (pre-exposure prophylaxis) HIV prevention medication	HIV-negative adults at high risk for getting HIV through sex or injection drug use
Immunizations, including chickenpox, measles, mumps, rubella, shingles and tetanus	Doses, recommended ages and recommended populations vary
Lung cancer screening	Adults age 50 to 80 at high risk for lung cancer, including heavy smokers or those who quit in the past 15 years
Obesity screening and counseling	No limit
Sexually transmitted infection (STI) prevention counseling	Adults at higher risk
Statin preventive medication	Adults age 40 to 75 at high risk
Syphilis screening	Adults at higher risk
Tobacco <u>use</u> screening	Adults and cessation interventions for tobacco users
Tuberculosis screening	Certain adults
Source: Healthcare.gov	

Note - while individual and small-group health plans are required to cover the ACA's essential health benefits, that's not the case for large-group plans or self-insured plans.

WHAT INSURANCE COVERS – FOR WOMEN

Type of preventive services	People affected
Breastfeeding support and counseling from trained providers and access to breastfeeding supplies	Pregnant and nursing women
Birth control	No limit, though requirement doesn't apply to plans sponsored by exempt "religious employers"
Folic acid supplements	Women who may become pregnant
Gestational diabetes screening	Women 24 weeks pregnant (or later) and those at high risk of developing gestational diabetes
Gonorrhea screening	Women at higher risk
Hepatitis B screening	Pregnant women at their first prenatal visit

Note - while individual and small-group health plans are required to cover the ACA's essential health benefits, that's not the case for large-group plans or self-insured plans.

WHAT INSURANCE COVERS – FOR WOMEN

Type of preventive services	People affected
Maternal depression screening	Mothers at well-baby visits
Preeclampsia prevention and screening	Pregnant women with high blood pressure
Rh incompatibility screening	Pregnant women and follow-up testing for women at higher risk
Syphilis screening	No limit
Expanded tobacco intervention and counseling	Pregnant tobacco users
Urinary tract or other infection screening	No limit
Bone density screening	Women over age 65 or women age 64 and younger that have gone through menopause
Breast cancer genetic test counseling	Women at higher risk
Breast cancer mammography screenings	Every two years for women age 50 and older and as recommended by a provider for women age 40 to 49 or women at higher risk for breast cancer
Breast cancer chemoprevention counseling	Women at higher risk
Cervical cancer screening	No limit

Note - while individual and small-group health plans are required to cover the ACA's essential health benefits, that's not the case for large-group plans or self-insured plans.

WHAT INSURANCE COVERS – FOR WOMEN

Type of preventive services	People affected
Pap test (also called a Pap smear)	Women age 21 to 65
Chlamydia infection screening	Younger women and other women at higher risk
Diabetes screening	Women with a history of gestational diabetes who aren't currently pregnant and who haven't been diagnosed with type 2 diabetes before
Gonorrhea screening	Women at higher risk
HIV screening and counseling	Age 15 to 65 and other ages at increased risk
<u>PrEP</u> (pre-exposure prophylaxis) HIV prevention medication	HIV-negative women at high risk for getting HIV through sex or injection drug use
Sexually transmitted infections counseling	Sexually active women
Tobacco use screening and interventions	No limit
Urinary incontinence screening	Women yearly
Well-woman visits to get recommended services	All women
Source: Healthcare.gov	

Note - while individual and small-group health plans are required to cover the ACA's essential health benefits, that's not the case for large-group plans or self-insured plans.

WHAT INSURANCE COVERS – FOR CHILDREN

Type of preventive services	People affected
Alcohol, tobacco and drug use assessments	Adolescents
Autism screening	Children age 18 and 24 months
Behavioral assessments	All children
Bilirubin concentration	All children
Blood pressure screening	All children
Blood screening	Newborns
Depression screening	Adolescents beginning at age 12
Developmental screening	Children under age 3
Dyslipidemia screening	No limit
Fluoride supplements	Children without fluoride in their water source
Fluoride varnish	Infants and children as soon as teeth are present
Gonorrhea preventive medication for the eyes	Newborns

Note - while individual and small-group health plans are required to cover the ACA's essential health benefits, that's not the case for large-group plans or self-insured plans.

WHAT INSURANCE COVERS – FOR CHILDREN

Type of preventive services	People affected
Hearing screening	Newborns and regular screenings for children and adolescents as recommended by their provider
Height, weight and body mass index (BMI) measurements	All children
Hematocrit or hemoglobin screening	All children
Hemoglobinopathies or sickle cell screening	Newborns
Hepatitis B screening	Adolescents at higher risk
HIV screening	Adolescents at higher risk
Hypothyroidism screening	Newborns
<u>PrEP</u> (pre-exposure prophylaxis) HIV prevention medication	HIV-negative adolescents at high risk for getting HIV through sex or injection drug use
Immunizations, including chickenpox (varicella), diphtheria, tetanus, inactivated poliovirus, influenza, measles, mumps, pneumococcal, rubella and rotavirus	Birth to age 18
Lead screening	Children at risk of exposure

Note - while individual and small-group health plans are required to cover the ACA's essential health benefits, that's not the case for large-group plans or self-insured plans.

WHAT INSURANCE COVERS

Type of preventive services	People affected
Obesity screening and counseling	No limit
Oral health risk assessment	Children between ages 6 months to 6 years
Phenylketonuria (PKU) screening	Newborns
Sexually transmitted infection (STI) prevention counseling and screening	Adolescents at higher risk
Tuberculin testing	Children at higher risk of tuberculosis
Vision screening	All children
Well-baby and well-child visits	No limit
<i>Source: Healthcare.gov</i>	

Note - while individual and small-group health plans are required to cover the ACA's essential health benefits, that's not the case for large-group plans or self-insured plans.

RESOURCES

- ChatGPT
- Google
- Healthcare.gov
- Kaiser Family Foundation
- CMS.gov
- Office of Insurance and Regulation
- Physicians and their Staff
- Pharmacists
- Insurance Company's 800 numbers

SUMMARY

- ❖ **We must become better consumers.**
- ❖ **Do your research and don't wait till the last minute.**
- ❖ **Work with your healthcare practitioners to navigate the medical landscape.**
- ❖ **If you are denied or delayed care, don't give up – you have rights and you can overcome barriers put in front of you.**
- ❖ **Use all available resources including Chat GPT.**
- ❖ **Communicate with your legislators and let them know when insurance policies are hurting you.**