Article Side

Ways to Understand Health Insurance by Elissa Joyce

Article published on November 29th 2011 | Business

One thing that most people know is that health insurance is important. But of all these people, only a few understands the process as well as the terms used by most health insurance companies. Terms such as health insurance for pre-existing conditions, co-pay, co-insurance, deductibles and premiums are just a few of these words that remain jargons for some. It is best that you get to know some of the most important terminologies used by the health insurances as well as the health providers in order for you to avoid confusion.

What is co-pay or co-payment?

If you have a private health insurance, you would hear this term a few times while getting a medical treatment such as a doctorâ€™s office visit or in patient treatments. Co-pay is what you would pay upfront once you need a certain care. This may or may not go to your deductible based on the type of coverage you have.

What is a deductible?

The deductible is the total amount that a primary insurance holder should pay first before getting payments from the insurance company, given that you already paid your health insurance premiums. If you havenâ€™t satisfied the deductible, the insurance will not be able to assist you on paying your medical treatments. For instance, your plan requires you a $3,500 deductible for the year.

Keep in mind that there is a calendar year and a contract year. If what your plan has is a calendar year, then the deductible should run from January to December of that year. If you have a contract year, then it will start from the beginning of your contact. Once that $3,500 deductible was satisfied in any part of that year, the insurer should begin paying.

What is co-insurance?

The term coinsurance is the percentage that will determine your part of payment as well as the insurerâ€™s share. For, instance, you have a 70/30 co-insurance. 70 percent of the medical coverage must be reimbursed by the insurance company and the remaining should be your out of pocket. Your payment may then go to your deductible depending on your insurance.

What is pre-existing condition?

The health insurance for pre-existing conditions is a sort of limitation that may greatly affect the way you will receive coverage or reimbursement from your insurer. It is based on your medical records that were submitted upon your enrolment to the plan. For example you have a pre-existing condition limitation or PCL and the end date is 90 days upon enrolment. If you were treated of any medical treatments and it fell under or is related to your pre-existing condition, the insurer would have to turn down your claim.

What are the exclusions for PCL?

For the people who are 19 years old and below, the pre-existing condition should not apply. This regulation took effect on September 2010. And another good news is that PCL should totally be taken out by all insurance companies on the year of 2014. But today PCL would still apply to people

who has it and are above 19 years old.

Article Source:
http://www.articleside.com/business-articles/ways-to-understand-health-insurance.htm - Article Side

Elissa Joyce - About Author:
Know more about a health insurance for pre existing conditions by visiting affordablehealthinsuranceadvice.com. Get all of the information you need and start planning your future a health insurance premiums as soon as.

Article Keywords:
health insurance premiums, health insurance for pre existing conditions, affordable family health insurance, affordable health coverage, employee health insurance

You can find more free articles on Article Side. Sign up today and share your knowledge to the community! It is completely FREE!