



Health Insurance Basics

Understand when you can enroll, where coverage comes from, and healthcare terms.

Health insurance can feel like a different language. But you do not need to know every rule to get started. This guide covers the building blocks that will help you understand the plan information in front of you.

When can I enroll?

Employer Open Enrollment

Most employers hold open enrollment once a year. Your employer or HR sets the dates and tells you when you can enroll, change plans, or add or drop dependents. The window often lasts a few weeks, so note the deadline.

IMPORTANT: If you miss it, you may need to wait until the next enrollment period unless you qualify for special enrollment. Check to see if you will experience a gap in coverage while waiting for your new insurance to begin.

Special Enrollment Periods

Certain life changes may let you enroll outside annual open enrollment, such as:

- Losing other health coverage
- Getting married
- Having a baby, adopting, or adding a foster child
- Certain moves
- Divorce or legal separation if it causes loss of coverage
- Turning 26 and losing coverage through a parent

Deadlines vary, so act quickly. Contact HR for job-based coverage or [HealthCare.gov](https://www.healthcare.gov) for Marketplace coverage.

Where can coverage come from?

Through Your Employer

Your employer may pay part of the premium. Check eligibility rules, the cost to cover dependents, and the plans offered to you.

Through a spouse's or partner's employer

If you are eligible for more than one job-based plan, compare the premium, deductible, network, and other costs before deciding.

Health Insurance Marketplace

Individual and family plans are available through [HealthCare.gov](https://www.healthcare.gov) or your state Marketplace. Depending on household income and circumstances, financial stipends may lower premiums or other costs.

Government programs

[Medicaid](#) and [CHIP](#) provide free or low-cost coverage to eligible people and families; eligibility varies by state. [Medicare](#) generally covers people 65+ and some younger people who qualify.

8 Terms Worth Knowing

Premium	What you pay to keep coverage active, usually each month or paycheck.
Copay	A fixed amount you pay for a covered service, such as \$25 for a doctor visit.
Out-of-pocket maximum	The most you pay in a plan year for covered in-network care that counts toward the limit. Premiums do not count.
Covered service	A service your plan includes. "Covered" does not mean "free" - you may still owe part of the cost
Deductible	What you may pay for certain care before the plan shares more of the cost. Some services may be covered before it, such as preventative care
Coinsurance	The percentage of a covered cost you pay, such as 20%, typically after the deductible.
In-network	Providers and facilities contracted with your plan. In-network care is usually less expensive.
Plan year	The 12-month period your plan uses to track benefits, deductibles, and out-of-pocket limits.



Confuse about other healthcare terms?

Schedule an appointment with a WorkLife's Resource Navigator, they can help clarify confusing healthcare terminology.

888.219.8993 | askthenavigator.org



How the pieces can work together

A simple example can make the vocabulary much easier to see.

Premium
\$100 / paycheck

Deductible
\$1,000

Primary Care
\$25 copay

Coinsurance
20% after
deductible*

Out-of-pocket max
\$4,000

Meet Jordan:

1. **Every paycheck:** Jordan pays the \$100 premium whether or not healthcare is used. Premiums generally do not count toward the deductible or out-of-pocket maximum.
2. **A routine doctor visit:** Jordan's plan has a \$25 copay for primary care before the deductible. He pays \$25 at the time of the visit.
3. **An MRI:** The MRI is covered, in-network, and subject to the deductible. If the cost is \$600 and Jordan has not paid anything toward the deductible yet, Jordan pays \$600. That leaves \$400 of the deductible. Coinsurance does not kick in until after the \$1k deductible is met.
4. **A later surgery:** The cost is \$2,400. Jordan first pays the remaining \$400 deductible. Then 20% coinsurance applies to the remaining \$2,000, so Jordan pays another \$400. Jordan's total for this surgery is \$800.
5. **Reaching the out-of-pocket maximum:** If Jordan's covered in-network spending that counts toward the limit reaches \$4,000, the plan generally pays 100% of covered in-network future services for the rest of the plan year. Jordan still pays monthly premiums.

*This is a teaching example, not a rule for every plan. Plans apply deductibles, copays, and coinsurance differ plan to plan.

The Summary of Benefits and Coverage (SBC) is your cheat sheet

What it is: A standardized summary of a health plan that makes it easier to compare costs and coverage.

What you can find there: deductibles, out-of-pocket limits, common doctor and hospital costs, prescription coverage, network information, limits or exceptions, and sample coverage scenarios.

Where you may have seen it: in your open enrollment materials, benefits portal, or paperwork when you first became eligible for coverage.

Can't find it? Ask HR, your benefits team, or your insurance company for a copy. Marketplace plans also make SBCs available while you compare plans.

[View official SBC information and examples](#)

LOOK FOR A DOCUMENT LIKE THIS **Summary of Benefits and Coverage**

What this plan covers & what you pay
for covered services

Overall deductible	\$ __
Out-of-pocket limit	\$ __
Primary care	\$ __
Specialist	\$ __
Emergency room	\$ __
Prescriptions	\$ __

The exact layout may vary, but the title and categories should look familiar.

Have your SBC or open enrollment packet? Bring it to a Navigator.

We can help you understand what the terms mean in your plan, find the information you need, and prepare questions for HR or your insurance company.

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