

Important facts about Health Insurance Coverage

Contributed by Administrator
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Health insurance coverage varies from one state to another depending upon the geographical and climatic environment. With the increasing cost of the medical services, it is the women who face difficulties in taking health insurance coverage owing to the disproportionately low income and poor access to employer based insurance.

Around 60% of the American population is without health insurance coverage in 2005 and has increased the number of uninsured people to 7 million people since 2000.

Around one third of the population under 65 years of age spent without a health insurance coverage in 2002-2003. The large majority of the people lacking health insurance coverage are native or naturalized citizens. In 2005, nearly 15% of the employees lacked any sort of health insurance coverage either through their employers or through family members.

The reason behind this is that around one third of American firms did not offer them with health insurance coverage and most of these firms have less than 25 employees. The exponentially increasing rates of premium is said to be the reason behind this decline. The premium has increased at the rate of 12% annually. Moreover if you wish to quit a job or lose the job, you would have to lose your health insurance coverage as well as for your family. Only 7% of the unemployed persons can have the extension of their previous employer based health insurance coverage under the COBRA plan. The premiums for COBRA plan are \$250 for individuals and \$700 for family coverage for a month. This is very high compared to the unemployment assistance given which is \$1,100.

Health insurance coverage can be either indemnity plans or managed care. The former plan enables you to go the medical provider of your choice and then you or your provider will send the claims to the insurance company.

Managed care can be HMO (Health Maintenance Organization), PPO (Preferred Provider Organization) and POS (point of Service). HMOs can be either Staff model HMO or Individual Practice Associations. It is essential to understand the coverage limits as well as the exclusions of health insurance coverage. Basic health insurance coverage includes in patient and out patient charges, laboratory services, diagnostic services, surgeries, and other related services. The exclusions differ from one plan to another such as pap smears and mammograms for health insurance for women. Many policies do not cover mental health.