

Lesson 1: Health Care Systems and Health Insurance

K-W-L Graphic Organizer

K (Know) What do you know about Health Care Systems and Health Insurance?	W (Want) What do you want to know about Health Care Systems and Health Insurance?	L (Learned) What did you learn about Health Care Systems and Health Insurance?

Lesson 1: Health Care Systems and Health Insurance

Glossary

1. **co-insurance:** the percentage of money you still have to pay after the deductible is reached (see: "deductible")
2. **co-pay:** the amount of money that you have to pay when you get medical care, like a doctor's appointment
3. **deductible:** the amount of money that you have to pay for medical care before your health insurance starts to help pay
4. **health insurance:** a system that helps pay for your medical care - you pay money to the health insurance company regularly and they help you to pay your medical bills
5. **health insurance plan:** the type of health insurance you have with your health insurance company, including what types of medical care are paid for (or "covered") by your health insurance and how much you pay
6. **in-network:** doctors, hospitals, pharmacies and other health services that work with your health insurance company
7. **Medicaid:** health insurance for very low-income people, funded by federal and state government
8. **Medical Assistance:** Minnesota's Medicaid program
9. **Medical Bills:** papers you get from a hospital or clinic that show how much you have to pay for your medical care
10. **Medicare:** a federal health insurance program for people over 65
11. **MinnesotaCare:** a program for Minnesotans who are low income, are not eligible for Medical Assistance, and do not have access to affordable health care coverage through their employer
12. **out-of-network:** doctors, hospitals, pharmacies, and other health services that do *not* work with your health insurance company, meaning that the cost of medical care may be higher
13. **out-of-pocket limit:** after you have paid this amount of money, your health insurance will cover 100% of your costs for medical care included in the plan you have with your health insurance company
14. **premium:** the amount of money that you and/or your employer pays the insurance company every month or year to have health insurance

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Reading and True and False

What kinds of health insurance does the government provide in Minnesota?^{1,2}

Medical Assistance (MA), Minnesota's Medicaid program, pays for medical care for Minnesotans with very low income.

- People enrolled in MA include children, parents, pregnant women, adults without children, seniors, and people who are blind or have a disability.
- There are certain rules, or "eligibility requirements," to get into the program. People must have an annual income lower than a certain amount.
- Even if their income is above the limit, people may still qualify for MA if they have enough **medical bills**.
- Federal and state money pays for MA.

MinnesotaCare is a program for Minnesotans who have low incomes, are not eligible for MA, and cannot get affordable health insurance through their employer.

- The program is mainly for adults. Children who are not eligible for MA may be able to get MinnesotaCare.
- There are eligibility requirements for the program. For example, people must have an annual income below a certain level.
- Most people who have MinnesotaCare pay a monthly **premium**. The cost depends on your family size and income.
- MinnesotaCare is paid for with state and federal tax dollars, taxes on healthcare providers, and the premiums paid by people who are enrolled.

¹ <https://mn.gov/dhs/people-we-serve/adults/health-care/health-care-programs/programs-and-services/medical-assistance.jsp>

² <https://mn.gov/dhs/people-we-serve/adults/health-care/health-care-programs/programs-and-services/minnesotacare.jsp>

³ <https://mn.gov/dhs/people-we-serve/seniors/health-care/health-care-programs/programs-and-services/help-with-medicare-costs.jsp>

Medicare is a federal health insurance program for people over 65 and people with certain disabilities.

People who work in the U.S. pay a small part of each paycheck to Medicare. If you have paid this Medicare tax when you were working, you will pay less for Medicare when you are older.

If you have not worked in the U.S. and have not paid **any** money to Medicare, you will need to pay more to get Medicare insurance when you are older.

Minnesota has a Medicare savings program to help people with low income pay for Medicare.

Read each sentence. Then circle True or False.

1. Medical Assistance is for people with low incomes. True False
2. Medicare is for people 60 and older. True False
3. The cost of MinnesotaCare depends on your income and family size. True False
4. MinnesotaCare is mainly for children. True False
5. People with an income above the limit will never qualify for Medical Assistance. True False
6. Medical Assistance is Medicaid. True False
7. Medicare is for people over 65. True False
8. MA is paid for only by federal dollars. True False
9. Minnesota has a program to help people with Medicare costs. True False
10. People with disabilities can get health coverage. True False

Lesson 1: Health Care Systems and Health Insurance

Reading Comprehension

What is a health care system?

A health care system organizes people and resources to provide medical care to a community or population. Different countries have different health care systems.

- Countries like Canada, England and Taiwan have a national health care system. This means only the government organizes health care, and almost all health information comes from one government organization.
- In the United States, health care is organized by private companies and government (public) organizations. Under the US system, health care is managed through many different organizations that are not connected to one another. This is why you may have to fill out information forms again if you go to a new clinic or hospital.

What is health insurance?

Insurance is something you buy so that if you get sick, you will not have to pay all of the **medical bills** by yourself. Having health insurance allows a sick or injured person to have their insurance company pay for part of their medical care. Without health insurance, a person must pay for all their medical care by **themselves**, which can cost a lot of money.

Health insurance also supports preventive health care. The health insurance company will often pay for yearly check-ups, to help prevent individuals from becoming sick in the future.

How does health insurance work?

Health insurance is like a shared jar of money for medical expenses. Everyone puts money into the jar. Some people may get sick and need to use this jar of money more than other people. Other people may not get sick and may not need to use the money. If everyone puts money in the jar, then there is enough for everyone to have money when they get sick.

How can I get health insurance?

- Employed: Many people receive health insurance through their workplace.
- Employed but uninsured: Individuals whose jobs do not offer insurance can purchase private insurance.
- Unemployed, disabled, or low-income: Individuals may be able to get insurance through a program funded by the state and/or the federal government, such as **Medical Assistance** or **MinnesotaCare**.
- Age 65+: Senior citizens who have lived and worked in the U.S. for a certain amount of time qualify for **Medicare**, health insurance for senior citizens provided by the federal government.

Write a short answer based on the reading.

1. What kind of health care system does the US have?

2. How can you get health insurance if you don't have a job?

Critical thinking skills:

1. Think about the question.
2. Talk about the answer with a partner.
3. Write a brief paragraph to answer the question.

Why is having health insurance important?

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Definitions Match and Complete the Sentence

Health Insurance

Read each item. As a class, write the letter from the column on the right that provides the correct definition for the word on the left.

1. _____ In-Network	a. The percentage of money you still have to pay after the deductible is reached
2. _____ Deductible	b. Doctors, hospitals, pharmacies and other health services that work with your health insurance company
3. _____ Out-of-pocket limit	c. The amount of money that you and/or your employer pays the insurance company every month or year to have health insurance
4. _____ Co-pay	d. After you have paid this amount of money, your health insurance will cover 100% of your costs for medical care included in the plan you have with your health insurance company
5. _____ Premium	e. The amount of money that you have to pay for medical care before your health insurance starts to help pay
6. _____ Co-insurance	f. The amount of money that you have to pay when you get medical care, like a doctor's appointment

Use the words in the box to complete each sentence in the following passage about health insurance.

premium	co-pay	network	insurance
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Many employers offer their employees health _____ as a benefit. The _____ is often taken from your salary with each pay check, a little bit at a time.

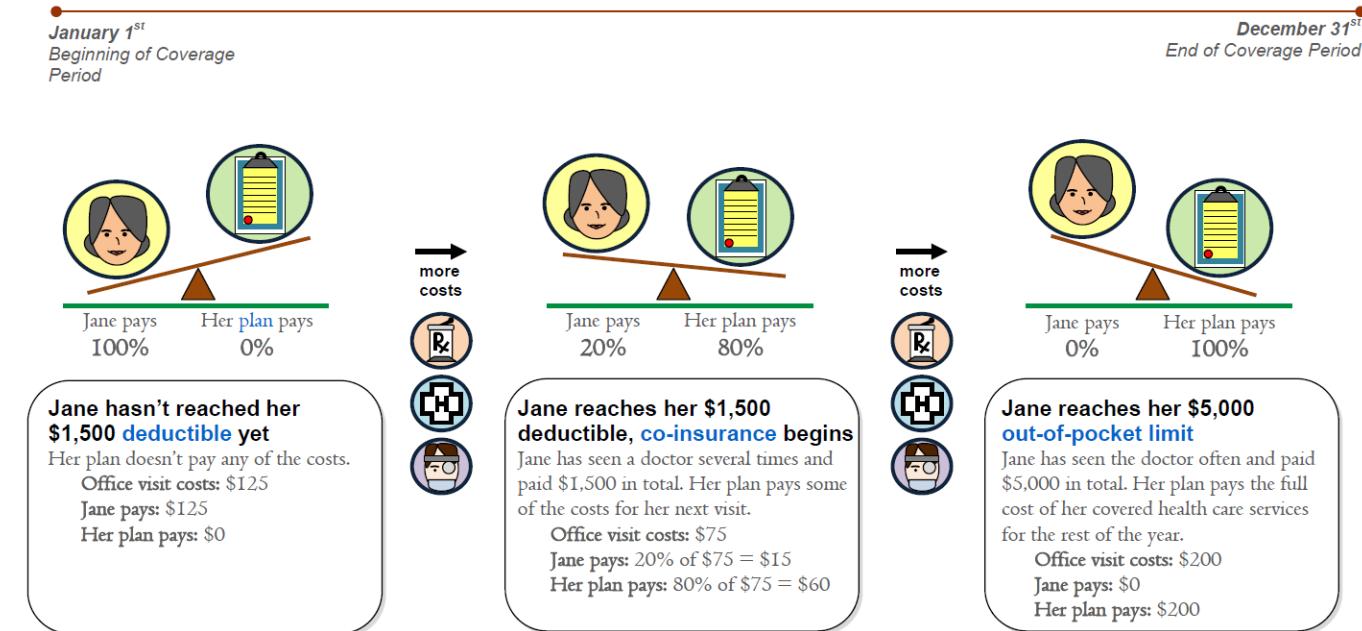
If you get sick, you often have to choose a doctor that is in your _____. When you go to the doctor's office for an appointment, you pay your _____.

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Chart and Questions

How You and Your Insurer Share Costs - Example

Jane's Plan Deductible: \$1,500 Co-insurance: 20% Out-of-Pocket Limit: \$5,000



Use the chart about Jane's health insurance to answer the questions.

1. How much is Jane's deductible?

2. What percentage of the bill does **Jane's health care plan** pay once co-insurance begins?

3. What percentage of the bill does **Jane** pay once co-insurance begins?

4. How much is Jane's out-of-pocket limit?

5. How much does Jane pay after she reaches her out-of-pocket limit?

Lesson 1: Health Care Systems and Health Insurance

Conversation

Mario was just hired at a technology business. He is meeting with the Human Resources Director to talk about health insurance. She is explaining the different health benefit options to Mario.

HR: Hello, Mario. Welcome to Tech Solutions. I would like to **talk about** your health benefits with you.

Mario: That's great, because it can be really confusing.

HR: Yes, it can. Your **health insurance** coverage is with a Health Maintenance Organization (HMO). Most medical services, **like** x-rays and pharmacy, are located **at** the same site.

Mario: Okay, that seems convenient. What else is good about this type of system?

HR: **Well**, HMOs think preventive care is important, so those types of services, **like** yearly check-ups for example, are almost always covered. They have low monthly premiums and low co-pays. You'll probably have a primary health care provider who coordinates your care.

Mario: That all sounds good. Are there any disadvantages to this type of system?

HR: **Your primary health care provider must be within the HMO network, because** providers out of the network aren't covered or have limited coverage. You have to get a referral from your regular doctor to see a specialist. Not all medical services are covered.

Mario: I see. Well, thank you for explaining all of that.

HR: You're welcome! Here are some informational materials for you to take home. Read them carefully. If you have any further questions, please let me know!

Talk with your partner and write a short answer to the following question.

What are some of the advantages and disadvantages of Mario's coverage?

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Quiz

Read the questions. Then circle A, B, C or D.

1. What kind of health care system does the United States have?

- A. government-run
- B. private companies
- C. a collaboration between government and private companies
- D. none

2. What is a co-pay?

- A. a monthly payment
- B. 20%
- C. 80%
- D. a flat fee you pay for a medical service

3. What is a deductible?

- A. a group of health care providers
- B. a co-pay
- C. money you pay until co-insurance starts
- D. a monthly payment

4. What is Medical Assistance?

- A. co-pay
- B. medicine
- C. medical assistance for the very wealthy
- D. medical assistance for low-income individuals

5. Medicare is...

- A. for people under 65
- B. for people over 65
- C. for people over 56
- D. for people over 60

6. What is MinnesotaCare?

- A. Minnesota's Medicare Program
- B. Minnesota's dental plan
- C. a program for people who need affordable health insurance but are not eligible for MA
- D. Minnesota's day care assistance

7. How much will health insurance pay after you reach your out-of-pocket limit?

- A. 100%
- B. 90%
- C. 80%
- D. 20%

8. How can you find more information about health insurance?

1. _____
2. _____
3. _____

Student Survey: Health Insurance Unit

1. Did you learn more information about health insurance from studying this lesson?

1	2	3	4	5
no		some		yes

2. If you don't have health insurance, will you apply after learning about it?

1	2	3	4	5
no		maybe		yes

3. If you have health insurance, was this information helpful for you to understand it better?

1	2	3	4	5
no		a little		yes

4. Would you share this information with family and friends?

1	2	3	4	5
no		maybe		yes

5. Do you know where to find more information about health insurance if you have more questions?

1	2	3	4	5
no		somewhat		yes

6. Did you like the class activities?

1	2	3	4	5
no		somewhat		yes

We value your opinions! Could you tell us what you liked or give us some suggestions on how to improve this lesson?

Thank you!