



# How to Avoid Financial Stress

## Why Health Insurance is Important

Health insurance is not cheap, and it can be tempting to go without coverage, especially if you don't get sick very often. With the expensive monthly cost and out-of-pocket expenses, you may be wondering if you really need coverage. But just like other types of insurance, health insurance is a service you pay for but hope you won't need to use. It is there for costly and unexpected health situations.

Without health insurance, you:

- Risk financial hardship
- Are responsible for 100% of healthcare costs
- Won't have access to free preventative care
- May have trouble getting access to follow-up care without upfront payment
- May need to wait for medical care

### Having Health Insurance is Important for a Lot of Reasons

- 1 It is in your best interest financially. When you don't have insurance, you may avoid getting treated for minor issues, which can escalate into bigger problems quickly. But if you have health insurance coverage, then you won't need to worry about this as much. Additionally, if you put off seeking treatment and then develop a serious medical condition, you may have a difficult time finding health insurance after you have gone so long without coverage.
- 2 If your illness or injury is serious enough, you'll likely be out of work, which means you will have a huge debt to pay and no income coming in to pay it.
- 3 It protects you from unplanned and unexpected medical costs – no one expects that they will have a serious illness or an accident.
- 4 By having insurance, you get access to a network of doctors, labs, hospitals, clinics, etc., that are available to you when you need them.
- 5 You will know that if you have it, you will not have to think twice about whether to make an appointment or head to the doctor if you need to, and that brings peace of mind.

*"If you do not make time for your wellness, you will be forced to take time for your illness"*

**- Joyce Sunada**

**PAF** Patient Advocate Foundation

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## Medical Bills Are the #1 Cause of Bankruptcy in the United States

Even if you are generally healthy, all it takes is one accident or diagnosis to leave you in a situation where you may struggle to pay your medical expenses. According to Healthcare.gov, it's estimated that a broken leg can cost you \$7,500 to treat. And three days in a hospital can cost tens of thousands of dollars. If you are paying for every medical service 100% by yourself without the security of having health insurance, you may be forced make healthcare decisions based on your finances instead of what is best for your health. You might hesitate to see a doctor even when it's medically necessary because you don't want to or cannot pay for those costs out-of-pocket.

All qualified plans cover ER services, doctor and hospital charges, pregnancy, treatment for all pre-existing conditions, mental health and substance abuse services, lab work and other essential health benefits. Preventative services like shots and screening tests, blood pressure screenings, cholesterol screening, mammograms, depression screening, lung cancer screening, diabetes screening, diet counseling, HIV screenings and vaccines including the flu shot are all included at no cost to you.

Visiting your doctor and getting your regular, recommended screenings and health exams means you will likely prevent more serious conditions later.

## Myths

### 1 "I'll Just Go to the Emergency Room if I Get Sick"

Uninsured people receive less medical care and less timely care. Free care from hospitals and clinics improves access to needed health services but does not fully substitute for health insurance. Studies show that most uninsured people do not receive health services for free or at a reduced rate. According to Kaiser Family Foundation, in 2015, only 27% of uninsured individuals reported having access to free or reduced-cost care. Additionally, hospital emergency rooms will care for you if you have an urgent need, such as a broken bone or severe pain; however, you may have a harder time getting necessary follow-up care, rehabilitation care or other services necessary.

### 2 "I Can't Afford to Pay for Health Insurance"

Tax credits and cost-sharing subsidies are available from the government that may help make premium costs more manageable or may help lower out-of-pocket expenses. In addition, the ACA has helped make coverage much more affordable for people with low and mid-range incomes.

### 3 "I Will Wait to Buy Health Insurance When I Get Sick"

It's not a good plan to wait to buy health insurance until you need to use it. Even if you're healthy, bad things can still happen:

- a. You may not be able to get comprehensive health insurance at certain times of the year due to scheduled enrollment periods.
- b. If you receive a diagnosis, or if you have an accident, and you purchase insurance after the fact, your coverage will not take effect right away. There will be a waiting period before your coverage becomes effective. That means medical services will be covered only after the effective date of your policy.

