



Even with insurance coverage, there is a chance you could find yourself with costly medical expenses. Taking control of your healthcare finances starts with being informed and planning ahead. Focus on understanding your health insurance options, and utilizing savings tools like Health Savings Accounts (HSAs) and Flexible Spending Accounts (FSAs). If needed, look for other ways to pay for healthcare and find ways to lower costs. Finally, create a healthcare budget that fits into your overall financial plan to keep both your health and money in good shape. By staying informed and checking your plan often, you can feel more confident about handling the healthcare system.

UNDERSTAND YOUR HEALTH INSURANCE

Understanding your health insurance plan is the first step to saving money. Make sure you know:

- **What it covers:** Most health insurance plans cover provider visits, hospital stays, prescriptions, and other services, but others may not.
- **Your co-pays and deductibles:** A co-pay is the amount you pay for a provider's visit or medication. A deductible is the amount you pay before your insurance plan starts to cover costs.

If you're not sure about your insurance, call your insurance company using the Customer Service number on your card, or log into your plan's member portal to learn more.

HEALTHCARE COST ESTIMATORS

Many health insurance companies, third-party websites, and providers offer healthcare cost estimators. These tools can help you estimate how much a provider's visit, prescription, or procedure might cost based on your insurance plan.

- **Insurance Plan Tools:** Your insurance company may have a cost estimator tool on their website. You can use this to find out how much different medical services will cost before you go. This helps you avoid surprises and plan for what you'll need to pay.
- **Third-Party Calculators:** There are also websites (like www.fairhealthconsumer.org) that allow you to compare the cost of healthcare services at different providers or locations. These calculators can help you find the best deal for your needs.
- **Checking with Individual Providers:** Many facilities have cost estimator tools available online now. If you're wanting care from a particular facility, or want to know the best price in your area, try contacting individual facilities or providers in your area.

Always check your insurance plan to see what's covered first, and use these tools to get an idea of your out-of-pocket costs.



ONLINE BUDGETING AND EXPENSE TRACKING TOOLS

Managing healthcare costs is easier when you track your spending. Online budgeting and expense tracking tools can help you keep an eye on your medical bills and manage your budget.

- **Budgeting Tools:** There are many websites and apps that can help you create a monthly budget that includes healthcare costs. You can set aside money each month for things like provider visits, prescriptions, or emergency expenses. (Look up “digital budget tool” on your favorite search engine to find one).
- **Expense Trackers:** You can use a paper tracker or an app to track all of your spending, including medical expenses. This way, you can see how much you’re spending on healthcare and make adjustments if needed.

Set up a separate “healthcare” category in your budget to keep track of any medical bills, prescriptions, or treatments.



EMPLOYER WELLNESS AND INCENTIVE PROGRAMS

Many employers offer wellness programs and incentives to help employees stay healthy and reduce healthcare costs. These programs often provide discounts, free services, or rewards for healthy activities like exercising, eating well, or getting preventive checkups.

- **Wellness Programs:** Some employers offer gym memberships, health screenings, or stress management workshops. These programs can help you avoid major health issues down the road, which means fewer provider visits and lower medical bills.
- **Incentives:** Many companies offer incentives for meeting health goals, like discounts on insurance premiums or gift cards for reaching fitness targets.

Check with your employer to see what wellness programs or incentives are available to you. Participating could help you save money and improve your health.

TAX CREDITS AND DEDUCTIONS FOR MEDICAL EXPENSES

You may be able to save money on your taxes by deducting certain medical expenses. The IRS allows you to subtract some medical costs from your taxable income if they meet certain conditions.

- **Tax Deductions:** If you have a lot of medical expenses in a year, you may be able to deduct them from your taxes. This includes provider visits, prescriptions, and even some health insurance premiums.
- **Tax Credits:** There are also tax credits, like the Premium Tax Credit, which can help lower the cost of health insurance purchased through the Health Insurance Marketplace.

Keep track of all your medical expenses throughout the year, and talk to a tax professional to see if you qualify for any deductions or credits.

SETTING UP A HEALTHCARE SAVINGS PLAN

It's important to set aside money for healthcare, especially for those unexpected costs. One way to do this is by creating a healthcare savings plan. This means saving a specific amount of money each month to help cover your medical expenses throughout the year.

Think about setting up a separate savings account just for healthcare. This way, you can build up money over time and have it ready when you need it.

Start small by saving a few dollars each month, and gradually increase your savings as you can. Every little bit helps!

HEALTH SAVINGS ACCOUNTS (HSAs) AND FLEXIBLE SPENDING ACCOUNTS (FSAs)

There are special accounts that can help you save money for healthcare. These accounts let you set aside money before paying taxes, so you pay less in taxes and can use the money for medical expenses.

Learn more about how these tax-advantage plans can help you in our publication here.

PLANNING FOR LONG-TERM CARE COSTS

Long-term care can be very expensive, and the costs vary depending on where you live and the type of care you need.

PAF has a publication in our library to help you understand long-term care and how to plan for those costs. Read it here.



By following these tips, you can plan ahead, manage your healthcare costs, and stay on top of your health. Remember, it's important to take care of both your body and your wallet!



Curious about other topics? Our newly redesigned Education Resource Library houses our resources and provides straightforward information in a variety of formats to help you make informed decisions throughout your healthcare journey. Learn about health insurance, disability, medical bill management, and more by visiting our Education Resource Library today. Call us anytime at 800-532-5274 or visit www.patientadvocate.org for help!