

# Health Insurance and Thalassemia

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CAF Patient-Family Conference

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# Who I am

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Clinical Social Worker at the Children's Hospital of Philadelphia specializing in Health Insurance challenges (7 plus years)

Full-time in Outpatient Hematology with patients and families dealing with several different diagnoses and conditions including Thalassemia

# Overview

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- Health Insurance never causes problems for patients with Thalassemia and it's always easy to understand for everyone
- After the next half-hour, you will all be experts and you'll never face a health insurance problem you can't solve again
- *It's Sunday morning – I was just checking to see if you are awake and paying attention! 😊 😊 😊*

# Agenda

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- Discuss Basic “Nuts and Bolts” of Private Health Insurance
- Discuss a few specific common implications for patients with Thalassemia
- Resources for help

# Before we jump in...

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- For better or worse, in the U.S. we have an incredibly complex healthcare system. What health insurance a patient has, and where it comes from depends on many different factors:
  - Where the patient lives, age, income level, employment...etc.
- Many people here, most importantly patients with thalassemia, have all sorts of types of insurance whether it is Medicaid, Medicare, other government insurance types, or private insurance. Some have combinations of these.
- This talk will focus on private insurance as it generally causes the most confusion. (Other types *certainly* have problems, but once enrolled, it's usually less confusing)

# Health Insurance “Nuts and Bolts”: Who Pays What and When

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- **Premiums** – What you pay to have the insurance - Basically the “cost of the product”
  - monthly cost from your pocket or someone’s paycheck

Common Trap: Choose low premiums without minding what “product” you are buying – end up with low quality healthcare coverage – big problem for patients with chronic disease – ends up costing you more money overall, and/or blocks you from the specific care you need.

# “Cost Sharing”

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- It's not as simple as “insurance covers everything” – even though that is commonly what people hope and even initially expect
- Instead insurance “shares” (*How nice of them!?*) costs with the patient/family

Here is how it works...

# Deductible

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- – Amount you must pay out-of-pocket *before your insurance covers anything*

\*Usually resets annually (January 1st or employer selected month)

\*Can be individual for each person or family, or both



# Co-pay

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- - **FIXED AMOUNT** you pay per specific type of service each time
- e.g.: \$25 for a specialist visit
- or \$100 for an Emergency Department visit
- or “\$200 per day for each hospital admission up to 5 days”

Note: **FIXED** amount

# Coinsurance

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- % PERCENTAGE of the price of a service you must pay out-of-pocket
- e.g.: 80%/20% or 90%/10%
  - (insurance pays first percentage, you pay the second percentage)
- Note: This is where costs can really pile up!
  - If a blood transfusion costs \$11,000 (common), 20% is \$2,200

# Out-of-Pocket Maximum/Limit (O.O.P.M.)

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- It is actually what it sounds like – the “stop-gap”. The most you’ll have to pay for the year. (resets annually, like deductibles)
- This gives you a solid, predictable amount to budget and plan for – especially when “shopping”/comparing health insurance options. Here’s how: You can add premiums and out-of-pocket maximum to get a total health care cost per patient per year \*\*\* Mind the details – confirm that O.O.P.M. includes deductible – if not, add them separately

## ... O.O.P.M. continued

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- As with deductibles, this resets annually and also can be individual for each person – or family, or both
- *TIP:* Call your insurance company to ask for status of your OOPM during the year– then hold billing offices accountable. They **SHOULD NOT** charge you beyond your OOPM – but they might/do in error.

\*\*\* Pharmacy/Drug “Benefits” may be entirely separate from “Medical Benefits”. Know if your “Medical” deductible and OOPM includes “Pharmacy” or not - BIG difference in costs to you.

# Don't fall for these traps!

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Most common confusion on terms:

- **Co-pay v. Coinsurance**
- **Deductible v. Out-of-Pocket Maximum**
- These share characteristics but are significantly different. People very often get confused between them or use them interchangeably and this causes problems/confusion/frustration.

# Specific Thalassemia Implications

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- Deductibles and Out-of-Pocket-Maximums are often much easier to work with for patients with Thalassemia – because of frequent, expensive use of medical care.
  - If a patient is chronically transfused, they will most often satisfy or “meet” their deductible and O.O.P.M. the very first time they have a transfusion in the beginning of the year (calendar or “plan year” set by employer) – *then 100% coverage!* Reason: 1 transfusion costs more than 99% if not all O.O.P.Ms
  - This allows for much easier planning/budgeting because you know what to expect.
  - This also helps you compare and “shop” for which insurance plan is best for you or your patient

# Resources for health insurance questions and issues:

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- Thalassemia patients and their caregivers facing specific health insurance problems can contact Cooley's Anemia Foundation Social Worker Kathleen Durst, MA, and LCSW via email at [kdurst@thalassemia.org](mailto:kdurst@thalassemia.org).
- As needed, she will consult with Mike Schiller, LSW Insurance Specialist Social Worker for supplemental advice and potential solutions.

# Other Resources

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- [www.healthcare.gov](http://www.healthcare.gov) - Website for many things including phone numbers for assistance, glossary of terms like those above, applying for Affordable Care Act/“Obamacare” Marketplace health insurance coverage, patient/consumer protections, additional local help
- The National Health Law Program - [www.healthlaw.org](http://www.healthlaw.org)
- The Institute for Healthcare Improvement (IHI) and the National Patient Safety Foundation (NPSF) - [www.npsf.org/general/recommended\\_links.asp](http://www.npsf.org/general/recommended_links.asp)
- Your local medical team – especially Social Workers



End

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Thank you!