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Top things to know

1. Insurance costs a lot but having none costs more.

There are sensible ways to save money on insurance, but skipping coverage isn't one of them. Medical bills from even a minor car accident can deplete your savings - a major illness can push you into bankruptcy.

2. If your employer offers insurance, grab it.

Group coverage, particularly when it's employer-subsidized, is almost always a better deal than anything you can get on your own, even if you're young and healthy. If you're NOT young and healthy, it's definitely a better deal.

3. Comparing plans is tough but necessary.

Unfortunately, there is no such thing as standard coverage. Benefits and costs vary widely from plan to plan. If you have choices, you'll have to examine each one closely to find the best deal.

4. The lowest premium isn't always the cheapest plan.

What your insurance covers is just as important as, and sometimes more important than, what you pay up front. Ultimately, the cheapest plan is the one with the best price for the benefits you're most likely to use.

5. Even good coverage can have big loopholes.

You can count on your health insurance to cover you for a hospital stay. Most policies cover doctor visits, but benefits for mental health, prescription drugs and dental care are strictly optional.

6. You'll pay more for freedom.

Plans with the most comprehensive coverage at the lowest out-of-pocket cost require you to use a specified network of hospitals, doctors, labs, and other providers. The more flexibility you demand, the more you'll pay, in either premiums or co-payments.

7. You can check out networks before signing up.

A growing number of public and private sources compile information on the track records of individual doctors,



hospitals, and health plans.

8. You can keep your insurance if you lose your job.

State and federal regulations protect you from losing your health coverage in the event you lose your job. Unfortunately, they offer little protection from high premium costs.

9. Working couples have more to think about.

If you and your spouse both get health insurance at work, you must sort out whether it makes more sense to have two policies or for one of you to cover the other. If you have kids, you need to decide who's going to cover them.

10. Tax breaks can help.

Ordinarily medical expenses, including insurance premiums, are not tax deductible until they exceed 7.5 percent of your income. However, if you're self-employed or your employer offers a flexible spending account, you can get a tax break without meeting the threshold.

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