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2>This Is Something To Take Seriously

Study The Offerings Before Choosing A Plan, Expert Says

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Economic uncertainty could lead people to pay more attention this fall to a decision that can affect their wealth and their health: signing up for health insurance.

"Most people don't want to deal with it but it's important they do, especially this year," said Don Higgins of the Greater Madison Area Society for Human Resource Management. "They could be throwing money out of the window that they could use for other things."

The annual health insurance enrollment period for state employees started Monday and ends Oct. 24. Workers in the private sector generally choose health plans by November, with new coverage starting Jan. 1.

Among the choices more people are expected to have this year is a "consumer-directed plan" - a high-deductible option with a health savings account.

Those plans, which started a few years ago, can be cheaper for employers and employees, especially for people with few medical needs, said Donna Friedsam, associate director for health policy at the UW Population Health Institute.

But the plans can drive up the cost of traditional insurance by luring away healthy people from the pool of workers whose medical expenses are covered by monthly premiums, Friedsam said.

Still, more companies are offering the consumer-directed plans.

"Employers are desperate, trying to figure out ways to control costs," Friedsam said. "They're going to move as many people as they can into these lower-cost opportunities."

\ Soaring premiums

The price of health benefits has more than doubled since 1999, while wages and inflation have gone up by only about a third, according to a survey released last month by the Kaiser Family Foundation.

Premiums for employer-sponsored coverage for a family of four averaged \$12,680 this year, with employees paying \$3,354 of that amount out of their paychecks, the survey found. Premiums for individual coverage were \$4,704, with workers paying \$721.

The higher payments are buying less coverage, with higher deductibles and copayments, according to the survey.

"Health insurance is steadily becoming less comprehensive," Drew Altman, president of the Kaiser Family Foundation, said in a news release.

\ Physician networks

But the coverage still is essential, said Meg Gaines, a UW-Madison law professor and director of the Center for Patient Partnerships, an advocacy group on campus.

Gaines' struggle with ovarian cancer several years ago highlights what she says is an important factor everyone should consider when choosing among health plans: what kinds of doctors are in their networks.

Gynecologic oncologists, who specialize in cancers of the female reproductive organs, should treat ovarian cancer, Gaines said. Her initial surgery, by a more general gynecologist, allowed her cancer to spread until a specialist in California operated on her, she said.

Today, Gaines said, three of the four HMOs based in Dane County - Group Health Cooperative, Physicians Plus and Unity - have gynecologic oncologists in their networks.

Dean Health Plan doesn't, but Dean will refer women with ovarian cancer to gynecologic oncologists at UW Hospital if the women or their Dean doctors ask.

"That is inadequate access; there's a disincentive to referring out," Gaines said. "Think about why you have insurance - because of the catastrophic insurance, when it's all hands on deck."

Dr. Tom Hirsch, medical director of Dean Health Plan, said Dean doesn't have enough patients to justify having its own gynecologic oncologists. But the HMO is "very prepared" to approve referrals to such doctors, he said.

\ Expert tips

Coverage for other specialized services, from fertility treatments and hearing aids to weight-loss surgery and mental health sessions, can vary widely among health plans, said Teri Edman, benefits director at CUNA Mutual Group in Madison.

For people who might need such services, it pays to study the offerings before choosing a plan, Edman said. "It's a lot better than being surprised," she said.

People's needs and options for health insurance differ, but everyone can consider a few basic points when deciding which plan to select, experts say:

*Assess your needs. If you use a lot of health care, pick a plan with a low deductible. If you have few medical needs, consider a high deductible plan (with lower premiums), possibly a consumer-directed plan. But be prepared for unexpected costs.

*Pick the best type of plan for you. If you like the doctors in your network and rarely leave the Madison area, consider an HMO. If you want to see other doctors, have children in college out of state or will live elsewhere for at least two months during the year, consider a point

of service plan, or POS, or preferred provider organization, or PPO.

*Check the quality of network providers. More information is becoming available - at Web sites such as www.wchq.org and www.wicheckpoint.org - on the cost and quality of doctors and hospitals.

People with specific medical needs are most likely to benefit from checking quality data, Friedsam said.

"If you know you're going to have something like a hip replacement next year, that's when quality can really enter into the discussion," she said.

\ HEALTH INSURANCE ALPHABET SOUP

FSA Flexible spending account; pre-tax fund for medical expenses.

HSA Health savings account; tax-free fund, accompanied by a high-deductible health plan, generally set up through employee contributions otherwise paid as monthly premiums.

HMO Health maintenance organization; health plans in which people see network providers through a primary care physician.

POS Point of service plan; more flexible than an HMO, but people still pick a primary care physician.

PPO Preferred provider organization; members generally have incentives to stay in a network of doctors but can pay more to see others.

SOURCES: AHRQ, Kaiser Family Foundation

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