

Saving, Investing, and Risk Management



Lesson Two: Smart Healthcare Consumer Lesson

Teacher Introduction

When it comes to your budget, making the right healthcare choices should be a top priority. Being a Smart Healthcare Consumer can help you live a healthy lifestyle while achieving your financial goals.

It is important to know where you should go for your healthcare needs. The information below will help you understand your healthcare choices and the costs/savings opportunities for each type.

Preventive Care Visits - These are annual/well-child exam visits to a primary care physician that are prevention-focused. The purpose of these visits is to detect health concerns prior to developing noticeable symptoms. Preventing major illnesses improves health in the long run and helps reduce overall medical costs. Preventive visits are typically covered in full by your insurance company.

Sick Doctor's Office Visits - Your primary care doctor should be your first call in non-emergency situations. Your doctor knows you and your health history including what medications you are taking and what chronic conditions might need to be considered in your treatment. Plus the co-pay for a visit for your doctor's office will cost far less than an urgent care or ER visit.

Urgent Care Visits - Urgent care is meant to fill the gap between the emergency room and going to your primary care physician. They are for non-emergency issues that need timely care. Getting an appointment with your primary care physician can take weeks or months so urgent care centers are a great alternative to receiving the care you need. They typically offer visits without an appointment and have extended hours. Urgent care visits cost on average much less than emergency room visits.

Emergency Room Visits - The emergency room is meant for true medical emergencies that would require hospitalization or surgery. Emergency rooms can cost up to thousands of dollars depending on the severity of the issue. They provide medical and surgical care to patients arriving at the hospital in need of immediate attention.

Consequences of Postponing Treatment - Postponing medical treatment can mean long term health consequences. Simple conditions, if left untreated, can turn into chronic to more severe conditions costing the insurance companies more money. The higher costs are passed onto employers which could mean higher insurance rates for the employee.

Cost Difference Between In-Network and Out-of-Network Providers - In-network health care providers have contracted with the insurance company to accept certain negotiated (discounted) rates. The consumer will typically pay less with an in-network provider. Out-of-network providers have not agreed to the discounted rates.

Cost Difference Between Generic and Name Brand Prescriptions - A generic drug is a medication created to be the same as an existing approved brand-name drug in dosage form, safety, strength, route of administration, quality, and performance characteristics. A generic medicine works in the same way and provides the same clinical benefit as its brand-name version. Generic medicines have saved Americans \$1.67 trillion over the last decade.

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 Student Activity

Smart Healthcare Consumer Scenarios

Read the following scenarios carefully. Match each scenario with the correct answer from the list at the bottom of the page.

Scenario One
 Devin was out for a run and started to have chest pains and shortness of breath. Where should Devin go for treatment? _____

Scenario Two
 Andrea was diagnosed with seasonal allergies and was prescribed allergy medication by her primary care doctor. The name brand cost \$247 per month. She could save money by purchasing the generic form for only \$12 per month. What is this an example of?

Scenario Three
 Jackson was playing soccer with his buddies and tripped on his untied shoe lace and fell, landing on his wrist. It started to hurt, but he continued to play. After the game, his wrist was swollen and purple. When he got home that evening, his parents thought he should have it looked at. Where should Jackson go for treatment? _____

Scenario Four
 Mariah woke up with a stuffy nose and sore throat. She also had a slight temperature. She took some over the counter medication and hoped she felt better. After a few days, Mariah felt worse and developed a very high fever with a cough. She continued to take the over the counter medicine. She was very weak and tired with shortness of breath. She decided it was time to go see her primary care doctor who immediately admitted her to the hospital with pneumonia. She remained in the hospital for 3 days and missed a week of school. What is this an example of?

Scenario Five
 Sam is a smart healthcare consumer. He sees his primary care physician annually to get his blood work done, checking his cholesterol and blood sugar levels. He talks to his physician about all of his healthcare concerns. What is this an example of? _____

Scenario Six
 Jayden's friend, Liam, kept talking about how good his dermatologist was at treating his acne. Jayden has been struggling with skin issues for several months. He decided to call and make an appointment with Liam's doctor. The insurance administrator advised Jayden that this doctor was not covered under his policy. It would cost him several hundred dollars more to see Liam's doctor than a doctor covered by his network. What is this an example of? _____

Scenario Seven
 Lauren is sick for the 3rd time in 6 months with a sore scratchy throat. Could it be strep throat or a viral infection? She has never had her tonsils removed and thinks this could be causing her problems. Where should Lauren go for treatment? _____

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| Generic vs. Name Brand Prescriptions | Sick Doctor's Office Visits |
| Urgent Care Visits | Emergency Room Visits |
| Consequences of Postponing Treatment | Preventive Care Visits |
| In-Network vs. Out-of-Network Providers | |