

# How to save money on health insurance

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By Sylvia Bittner

If you're looking to save money on your health insurance premiums, you're not alone. Health care costs are at an all-time high, and are continuing to rise – which in turn increases your health insurance premiums. So how can you save money on health insurance when health care costs go up?

## Increase your deductible

If you want to lower your premium, consider raising your deductible, which is the amount you pay out-of-pocket before the plan begins paying for health care expenses. You might also raise your coinsurances, which is the percentage you pay out-of-pocket at doctor visits and hospital stays after your deductible has been met. Generally speaking, the lower your deductible and coinsurances, the higher your premiums will be; the higher your deductible and coinsurances, the lower your premiums will be.

## Remember to “network”

You'll pay less out-of-pocket by using health care providers who participate with the health insurance plan you choose. If you go outside the network for services, you'll often pay higher deductibles and coinsurances and you may lose benefits altogether.

## Join an association

Many associations, such as Farm Bureau, offer health insurance plans as a member benefit. Often you can get better premium rates or better benefits by purchasing insurance through an association. In addition, many associations offer discounts on other health related services like eyeglasses, prescriptions and dental insurance.

## Open a Health Savings Account for triple tax advantages

Another way to save money is by purchasing a qualifying high-deductible health plan and opening a tax-advantaged Health Savings Account (HSA). A Health Savings Account is made up of two parts: a high-deductible health plan and an HSA, which is like a medical IRA or 401K. With an HSA, you have more control over how your health care dollars are spent, you'll save money on health insurance premiums, and you'll be eligible for significant savings on your taxes. An HSA will help you:

- Save money on health insurance premiums. By switching from a low-deductible health plan to an HSA-qualified high-deductible health plan, you'll cut the cost of your health plan substantially. Save money on your income taxes. Deposits made to your HSA are 100% tax deductible.
- Save money tax-free for health expenses. Withdrawals from your HSA that are used to pay for qualified medical expenses are always tax-free.
- Save money tax-deferred for retirement. Whatever money you don't use in your HSA rolls over from year to year. Any money left in your HSA when you turn age 65 is yours to use for any purpose. Withdrawals for qualified medical expenses are never taxed.

*Sylvia Bittner is the Health Services Coordinator for Michigan Farm Bureau. Michigan Farm Bureau is a membership based association and the largest general farming organization in Michigan. For over 70 years, Michigan Farm Bureau has partnered with Blue Cross® Blue Shield® of Michigan to offer unique health and dental insurance plans specifically for our members. For more information about Farm Bureau's health and dental insurance plans and other member benefits, contact your local county Farm Bureau administrative manager or call 1-888-249-4335.*