DAY 1 – 2:00 PM TRAINING

HEALTH INSURANCE BASICS & CORE VOCABULARY

Time Block: 2:00 PM – 3:30 PM (90 Minutes)

SLIDE 1 – TRAINING PURPOSE

Why This Training Exists

Health insurance confusion is the #1 reason clients cancel policies, file complaints, or feel misled.

This training exists to slow agents down and build real understanding. When you can clearly explain how insurance works, clients feel confident, protected, and respected.

Your goal is not to sound smart — it is to make insurance feel simple.

SLIDE 2 – WHAT HEALTH INSURANCE REALLY IS

Health insurance is a **cost-sharing agreement** between a client and an insurance company.

The client pays a monthly premium in exchange for access to discounted provider rates and help paying medical bills when care is needed.

Insurance is designed to protect against **large, unexpected expenses**, not to eliminate all medical costs.

SLIDE 3 – WHAT HEALTH INSURANCE IS NOT

Health insurance is NOT a savings account or a prepaid medical plan.

Clients will still have costs when they use care. Setting this expectation early prevents frustration, cancellations, and chargebacks later.

Clear expectations build trust.

SLIDE 4 – HOW ALL HEALTH PLANS ARE BUILT

Every health insurance plan — public or private — uses the same building blocks:

- Premium
- Deductible
- Copays
- Coinsurance
- Out-of-pocket maximum

Plans differ in how these pieces are arranged, but the structure is always the same.

SLIDE 5 – PREMIUM

What It Is

The premium is the monthly cost paid to keep the plan active.

How to Explain It

“This is like a membership fee. It keeps your coverage turned on whether you use it or not.”

Premiums do not count toward deductibles or out-of-pocket maximums.

SLIDE 6 – PREMIUM CONFUSION TO ADDRESS

Many clients believe paying a premium means everything should be covered.

In reality, the premium only keeps the policy active. Other costs apply when care is used.

Addressing this early prevents misunderstandings.

SLIDE 7 – DEDUCTIBLE

What It Is

The deductible is the amount a client pays before the insurance company begins sharing costs.

Simple Explanation

“This is the amount you’re responsible for first before the plan helps more.”

SLIDE 8 – DEDUCTIBLE REAL-WORLD EXAMPLE

Example:

- $5,000 deductible
- $1,200 ER visit
- Client pays $1,200
- Remaining deductible: $3,800

Most deductibles reset every calendar year.

SLIDE 9 – COPAYS

What They Are

Copays are flat, predictable fees for certain services.

Examples include primary care, urgent care, and specialist visits.

Copays provide clarity and help clients budget healthcare costs.

SLIDE 10 – WHY CLIENTS PREFER COPAYS

Clients like copays because:

- They know the cost upfront
- They pay at the time of service
- There are fewer surprises

Copay-based plans often feel simpler and more manageable.

SLIDE 11 – COINSURANCE

What It Is

Coinsurance is the percentage a client pays after the deductible is met.

Example:

An 80/20 plan means insurance pays 80% and the client pays 20%.

SLIDE 12 – COINSURANCE CONFUSION

Coinsurance does NOT apply until the deductible has been satisfied.

This is one of the most commonly misunderstood concepts and must be explained clearly.

SLIDE 13 – OUT-OF-POCKET MAXIMUM

What It Is

The out-of-pocket maximum is the most a client will pay in a year for covered services.

Once reached, the insurance company pays 100% of covered care for the remainder of the year.

SLIDE 14 – OUT-OF-POCKET MAX EXAMPLE

Example:

- $9,000 out-of-pocket maximum
- Major hospitalization
- Once $9,000 is paid, insurance covers the rest

This protects clients from financial catastrophe.

SLIDE 15 – HOW EVERYTHING WORKS TOGETHER

Typical flow:

1. Client pays premium
2. Client receives care
3. Copays may apply
4. Deductible is applied
5. Coinsurance begins
6. Out-of-pocket max caps total risk

SLIDE 16 – COMMON CLIENT SITUATIONS

Clients may say:

“I never go to the doctor” → Focus on catastrophic protection

“I want the cheapest plan” → Explain premium vs risk

“I have kids” → Highlight copays and predictability

“I’m worried about accidents” → Emphasize out-of-pocket max

SLIDE 17 – WHY THIS MATTERS FOR AGENTS

Most issues happen because clients did not understand their plan.

Clear explanations lead to:

- Better retention
- Fewer complaints
- Stronger trust
- Cleaner compliance

SLIDE 18 – FINAL TAKEAWAY

When clients understand how their plan works:

- They feel confident
- They keep their coverage
- They trust you long-term

Clarity is your greatest asset as an agent.
