

# Kentucky Health Insurance – Choosing Between HMOs and PPOs

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Most Kentuckians are enrolled in a managed care plan. Whether you get Kentucky individual health insurance through your employer or purchase a plan on your own, you would have to consider various points before you choose between an HMO and a PPO.

Under managed care, the insurance company contracts with physicians, hospitals, and other healthcare providers that collectively form the plan's network. There are basically two types of managed care plans – health maintenance organizations (HMOs) and preferred provider organizations (PPOs). Where you live or, for some plans, where you work, determine your eligibility to enroll in an HMO. There are also point-of-service (POS) plans that combine features of both HMOs and PPOs.

## HMOs vs. PPOs

To choose a HMO plan and a PPO plan, you have to compare them. For this, it is necessary to understand the basic differences between these two types of plans.

- **Choice of healthcare providers:** Managed care plans require you get most or all healthcare services from providers affiliated with the Kentucky health insurance plan. With a PPO, you can choose from “preferred” providers within the plan's network or from out-of-network providers. If the provider is not in the network, you would have to pay more.
- **Primary care physician (PCP):** With Kentucky individual health insurance through an HMO, you would have to choose a PCP to coordinate your healthcare. If you need to see a specialist in the network, your PCP would have to provide you with a referral. You would most likely have to pay for your healthcare if you do not have a referral or consult a doctor that is not in your HMO's network.  
With a PPO, you do not have to select a personal care physician. You can choose to see any doctor, though you would have to pay more if this doctor is not in the preferred network.
- **Specialist consults:** Except in an emergency, an HMO requires you to have a referral from your PCP to see a specialist such as a surgeon or a cardiologist. No referral is needed to consult a specialist with a PPO, unless the specialist requires one.
- **Insurance claims:** If you choose a [Kentucky individual health insurance](#) plan that is a HMO, you will have little paperwork. This means that your provider, and not you, would have to file the claim. You may not be charged or sent a bill by your provider. With a PPO plan, you may have to make the full payment to a provider for out-of-network services, and then file a claim to get reimbursed. Also, the PPO may pay only part of the bill – you would have to pay the rest.
- **Costs:** With a HMO, your out-of-pocket costs are generally limited to the low amount specified in the plan's brochure. The charges would comprise that for in-network services such as copayments for doctor's visits, procedures and prescriptions. In a PPO network, you would be responsible for the copay and for the annual deductible.

## Choose the Right Kentucky Health Insurance Plan

Comparing your options to make the right decision on buying a health insurance plan is easy with professional guidance. Contact an experienced licensed [Kentucky health insurance](#) agent to enjoy benefits such as free quotes from leading health insurance companies and expert advice to choose a plan.