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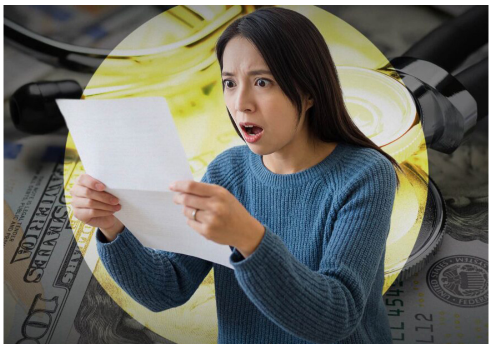
YOUNG AND INSURED? YOU COULD STILL FACE THOUSANDS IN MEDICAL BILLS



By: Brandon Hill - August 24, 2026

When you're a young adult just beginning to build your financial future, preparing for medical expenses isn't typically at the top of your list of financial concerns. For many young adults, student loan repayment, managing credit card debt or getting a head start on retirement planning are top of mind. But it only takes one unexpected injury or illness to derail your financial plans.

According to The National Library of Medicine, nearly 38% of people ages 18-34 have some form of medical debt. While health insurance can help significantly reduce that financial burden, health insurance doesn't eliminate the problem. Deductibles, coinsurance and any medication or procedure not covered under the policy can leave an insured patient responsible for thousands of dollars out of pocket. That's where understanding how much you could be responsible for and preparing for those costs pre-emptively can help protect your financial plans.

A big misconception many have when they start shopping for health insurance is that having coverage means your insurance will pay the entire cost of your care. However, almost every plan requires you to pay a portion of those costs.

Your deductible, for example, is the amount you owe before insurance will begin covering certain services. Once you meet the deductible, you might still be responsible for copays or coinsurance, depending on your plan. These require you to pay a percentage of covered costs until you've reached your plan's out-of-pocket maximum. Depending on your coverage and the care you need, these expenses can add up to thousands of dollars in the event of an unexpected injury, illness or procedure. This can be frustrating, especially when you've been paying your premiums every month. But in many cases, these costs only represent a fraction of what you would have owed without health coverage.

At age 26, the majority of young adults are kicked off their parents' health insurance policies and left to find their own coverage – either through an employer or purchased on the marketplace.

Look beyond the premium

As you're shopping for plans, it can be tempting to focus on the monthly premium, especially if you're young, relatively healthy and working with a tighter budget. But a lower premium doesn't necessarily mean more savings. Plans with lower monthly premiums often come with higher deductibles. This is attractive for those who don't need much medical care and don't expect to in the near future. If having a lower monthly premium is a priority for you, it's important to know what that could mean financially if the unexpected does happen.

Before you enroll in a plan, look past the amount that will come out of your paycheck each month. Comparing deductibles, out-of-pocket maximums, copays and coinsurance across various plans can help you make a more informed decision. You should also make sure your current provider and healthcare network are covered under your plan. Receiving care from out-of-network providers could mean a higher deductible, higher coinsurance or simply no coverage at all. Understanding all of your options will help you make the most cost-effective choice.

If you do enroll in a high-deductible plan, a health savings account can be an effective way to plan for the future. These accounts allow people enrolled in eligible high-deductible health plans to put aside money for qualified medical expenses while also receiving certain tax advantages. Unlike other health-related savings accounts, funds in an HSA roll over from year to year, allowing you to build a reserve for future medical costs.

What to do if you can't pay

Even still, an unexpected medical expense can happen at any time. So what should you do if you receive a medical bill you can't afford to pay?

1. **Contact your provider's billing department.** Most hospitals and providers are willing to work with patients because they understand how expensive healthcare is. They know most people don't have the funds to pay off their bill all at once.
2. **Ask about payment plan options.** Ask if it's possible to divide your balance into manageable monthly payments. And be realistic about how much you can actually afford to pay.
3. **Explore other payment options.** If a traditional payment plan isn't available, there are other ways to spread out your medical debt. Medical credit cards, such as CareCredit, can be used for qualified healthcare expenses at participating providers. Similar to a regular credit card, medical credit cards allow you to pay the balance off over time. But these cards aren't accepted everywhere, so check with your provider first. And understand the card's terms and conditions before use to avoid any unexpected charges.

We can't predict when an illness, injury or procedure will happen, but there are ways to prepare for the financial impact. Having health insurance is an important first line of defense and can significantly reduce the amount you're expected to pay. Understanding your coverage, saving for future out-of-pocket costs and knowing your options when a bill arrives can help prevent a medical emergency from turning into a long-term financial setback.

Brandon Hill is a Senior Advisor at Beckett Financial Group in West Columbia, SC. Brandon has 17 years in the insurance industry, with a focus on Medicare, Affordable Care Act and under-65 health insurance, permanent & term life, group benefits, long-term care, annuities, and retirement income planning. Brandon also works in compliance, case design and processing, and client administration at Beckett Financial Group.

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