

# Cost-control plan for health care could cost you

May 16 2014, by Ricardo Alonso-Zaldivar

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This April 11, 2014 file photo shows President Barack Obama, flanked by outgoing Health and Human Services Secretary Kathleen Sebelius, left, and his nominee to replace her, current Budget Director Sylvia Mathews Burwell, speaking in the Rose Garden of the White House in Washington. There's a new health insurance term in the glossary, and it could mean thousands of dollars out of your pocket. It's a cost-control strategy called "reference pricing." It puts a hard dollar limit on what health plans pay for certain expensive procedures -- like knee and hip replacements. The Obama administration has given the go-ahead for insurers and employers to use the approach, setting aside some legal concerns. (AP Photo/Susan Walsh, File)

You just might want to pay attention to the latest health insurance jargon. It could mean thousands of dollars out of your pocket.

The Obama administration has given the go-ahead for a new cost-control strategy called "reference pricing." It lets insurers and employers put a dollar limit on what [health plans](#) pay for some expensive procedures, such as knee and hip replacements.

Some experts worry that patients could be surprised with big medical bills they must pay themselves, undercutting financial protections in the new [health care law](#). That would happen if patients picked a more expensive hospital—even if it's part of the insurer's network.

The administration's decision affects most job-based plans as well as the new insurance exchanges.

Other experts say it will help check rising premiums.

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