

BENEFITS 101: FREQUENTLY ASKED QUESTIONS

Know the basics of how your health insurance works

WHAT IS A DEDUCTIBLE?

A deductible is a fixed amount of money that you must pay for medical expenses before your insurance coverage starts paying. This does not include the premium amount that is taken out of your paycheck each month. For example, if your plan has a \$2,000 deductible, you pay the first \$2,000 of medical expenses. After that, the plan will pay a percentage of the expenses.

WHAT IS COINSURANCE?

Your share of the costs of a covered health care service, calculated as a percentage of the allowed amount. You pay coinsurance after you have met your deductibles. For example, if the coinsurance percentage is 20% and the plan's allowed amount for an office visit is \$100. Once you've met your deductible, your coinsurance payment of 20% would be \$20. The health insurance plan pays the rest of the allowed amount.

WHAT IS A COPAY?

A copay is a fixed or flat dollar amount you must pay each time you visit the doctor or purchase medicine. This amount will vary depending on where you go for care, the type of doctor you see and the kind of medicine you need. Not all plans have copays.

WHAT IS AN OUT-OF-POCKET MAXIMUM?

This is the most you could pay in deductible, copay and coinsurance in a year. Once the maximum-out-of-pocket limit is reached, the plan covers 100% of all eligible expenses.

WHAT IS AN EXPLANATION OF BENEFITS (EOB)?

An EOB is a statement that comes in the mail and explains details about a submitted insurance claim. The EOB shows the portion that was paid by the insurance carrier and what payment, if any, will be the patient's responsibility. Even though it resembles a bill, it is not. The bill for your portion will come from the health care provider and should be paid to the provider.

WHAT COUNTS AS A PREVENTIVE CARE VISIT?

In general, a preventive care visit is one where you are going for a general checkup and don't have a specific concern. If you have a specific ailment for the doctor to check on, this is typically considered a diagnostic visit. Be aware, however, if you go to the doctor for a yearly check-up and bring up ailments to the doctor, part of the visit might be billed as preventive and part as diagnostic.

IF I CHANGE PLANS, CAN I KEEP MY DOCTOR?

It depends. Different plans have different networks of providers and you should check with your doctor to confirm they work with the new carrier and plan. This is an important consideration, because in-network providers are less costly than out-of-network providers. And some plans don't have any out-of-network coverage, which means you'd be responsible for 100% of the cost of services provided at a doctor that's out-of-network.