

Understanding Your Health Insurance Benefits: A Guide for Patients

In this ever changing world of health insurance it is imperative that you know and understand your health plan. You may ask yourself "how can I possibly handle that?" It's actually quite simple if you start with the basics. Below you will find a brief guide to give you an introduction to health insurance.

Where do I obtain information about my health plan?
Each subscriber in a health plan receives a policy handbook upon signing up for his or her insurance. If you receive health care benefits through your employer, they can provide you with a copy. Covered benefits vary from policy to policy and from insurance carrier to insurance carrier. It's important that you read through your most recent handbook and know your policy, making notes of any questions you have.

If I have questions about my policy where can I get them answered?
If your insurance is provided through your employer the human resources' staff can assist you. If you purchased your insurance, the agent who sold you your policy should be able to answer your questions. Or you may contact your insurance carrier directly at any time. Typically their contact information is listed on the reverse side of your insurance card.

How will I know if my policy changed?
Your insurance carrier must notify you in advance of any changes in your policy. It is your responsibility to keep current of those changes.

Isn't my doctor's office responsible for knowing my benefits?
No. Medical providers are not responsible for knowing your policy and what is covered or not covered. Patient benefits vary widely with hundreds of different plans available in today's market. Physician offices bill your insurance as both a courtesy and convenience to you as a patient. However, your benefits are your responsibility to know and understand.

Why does my doctor's staff need to know my social security number?
Your doctor can legally request your social security number, and requires it to administer aspects of your health plan, such as obtaining prior authorizations for medical services. Every doctor's office is required by law to maintain a high level of security over patients' personal information. This information is never sold or provided to unauthorized individuals.

What are Prior Authorizations?
Many health plans require permission in advance of a patient receiving particular medical services in order for the service to be paid. Your medical provider usually will call to obtain authorization for a service, but it is your responsibility to know if your insurance requires prior authorizations.

What does participating provider or preferred provider mean?
This means that your medical care provider has a contract in place with your insurance carrier to provide health care services to you for a pre-determined fee schedule. Deductibles and co-payments still apply.

What are Deductibles, Co-payments and Co-insurance?
Deductibles: This is a set dollar amount that is required annually to be paid by the insured. The insurance will not pay any of your claims until this amount is paid by the patient. The medical provider must collect in full and is not allowed to adjust off any portion of this payment.
Co-payments: A set dollar amount that you are required to pay according to your insurance policy at each office visit.
Co-insurance: The portion of medical expenses that you are responsible for after the deductible is met and the insurance has paid its portion. For example, your policy may read 80/20, meaning that your insurance will pay 80% of the claim and you will be responsible for the remaining 20%. Your policy manual can provide you with this information.

Your insurance company determines the amount you pay. Again, medical providers are not allowed to adjust off your co-payments or deductibles. It is your obligation to pay these amounts.

How can I find out if something is a covered service?
You can review covered benefits in your policy handbook or contact your customer service representative. They are responsible for helping you understand your policy. Additionally, review the explanation of benefits that your insurance carrier sends you after you have received medical services. This will explain your charges and how it was reviewed and paid according to your policy by the insurance carrier. Any dollar amounts you owe will match the statement you receive from the medical provider, as the medical provider obtains their information from the insurance carrier.

When is payment expected?
Payment for services received is expected at the time of service. In most instances, you should be prepared to pay for your office visit the day you visit your physician. If you have any questions about your physician's payment policy you should ask the office staff prior to receiving treatment.

We hope you found this guide informative and helpful in navigating through the basics of health insurance. We understand that navigating your health insurance policy can be difficult, but it's an important step to being a responsible consumer of health services.