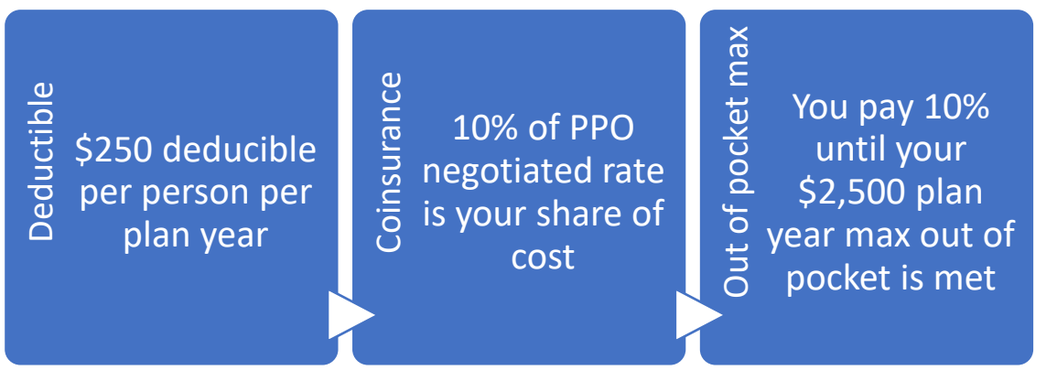
Coinsurance...Copay...Deductible…which one applies?

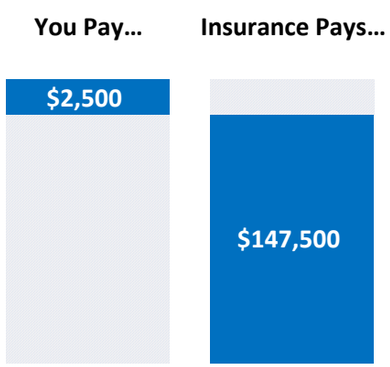
How does coinsurance work? And what is an out of pocket maximum anyway?
Remember, you only spend it if you incur a charge…

Assume you have a $250 deductible, 10% coinsurance, with a $2,500 single maximum out of pocket for the plan year.

Coinsurance is the amount you are required to pay for a medical claim, apart from any copayments or deductibles. You pay it only if you incur services.



But what if I have a $150,000 large claim…do I really have to pay 10% of this? How is my out of pocket limit affected?



- You will pay the first $250 of the charges.
- After this, you pay 10% co-insurance.
- Your maximum liability is the maximum out of pocket limit of your plan choice.

When does a copay apply vs. paying coinsurance?

A copay is a set dollar amount and typically used for office visits codes (consultation only) as well as prescription drug coverage. The high deductible health plan, by IRS rule, will only allow for preventive care services to have no cost share, so you will not have any copays on this plan prior to the deductible being met. For the HDHP, the deductible needs to be met first before the plan pays anything.

A copay does not satisfy any deductible under either plan choice; it will only satisfy an out of pocket maximum.
Deductible, copays, and coinsurance all accumulate to the out of pocket maximum for the plan year (July through June every year).
A deductible will apply for any other service that either has no stated copay and preventive care is also $0 copay.

For illustration purposes only. Refer to the plan information for complete details of all plan parameters.