



# Understanding Insurance and Billing Basics

## TERMS



**Copayment or copay** is a flat fee that you pay for certain services, such as an office visit. You pay the set amount each visit.



**Deductible** – With most plans, you pay 100% of your health care costs each year up to a certain dollar amount; this is called a deductible. Once you spend that much, you have “met your deductible” for the year and insurance starts covering part of your costs. After you reach or “meet” your deductible, you will pay a portion of your health care costs, either as a fee per service (copay) or a percentage of the costs (coinsurance).



**Coinsurance** is your share of the costs of a procedure or test, once you’ve met your deductible for the year. You pay a percentage of the costs (e.g., 10% to 30%) depending on your insurance plan.



**Out-of-pocket maximum** – The term “out-of-pocket costs” refers to any expenses that you personally are responsible for paying. These might include your deductible, coinsurance, and copays, and any health expense that insurance does not cover. Once these payments add up to a certain dollar amount—called your out-of-pocket maximum—your insurance company pays 100% of your medical costs on covered procedures.

## EXAMPLE

In this example, you have a

- **\$3,000 deductible**
- **20% coinsurance**
- **\$10,000 out-of-pocket maximum**

This means that after you have paid a total of \$3,000 out of your own pocket for health care this benefit plan year, you have “met your deductible.” After that point insurance pays a portion of the costs and you pay a portion of the cost. Once you have paid \$10,000 out of your own pocket, insurance will cover 100% of the remaining costs.

### PROCEDURE COST = \$42,000

DEDUCTIBLE	COINSURANCE		OUT-OF-POCKET MAXIMUM
<b>You pay</b> <b>\$3,000</b>	<b>\$3,000 deductible met ~ 20% coinsurance begins</b> A \$39,000 balance remains.  You owe 20% (\$7,800) BUT have to pay only \$7,000 because this brings you to your \$10,000 maximum.  Insurance pays 80% <b>(\$31,200)</b>	<b>\$10,000 out-of-pocket max</b>  An \$800 balance remains. Insurance pays 100% <b>(\$800)</b>	

**Your example total out-of-pocket cost for a \$42,000 procedure = \$3,000 + \$7,000 = \$10,000 (the maximum out-of-pocket expense)**

The amount of your deductible, coinsurance, and out-of-pocket maximum is listed on your insurance plan. You can also find out these amounts by calling your insurance company directly.

*Please make sure we have your CURRENT insurance information. You are responsible for your bill even if we have outdated coverage information on file.*

Hospital-based clinics at UT Southwestern

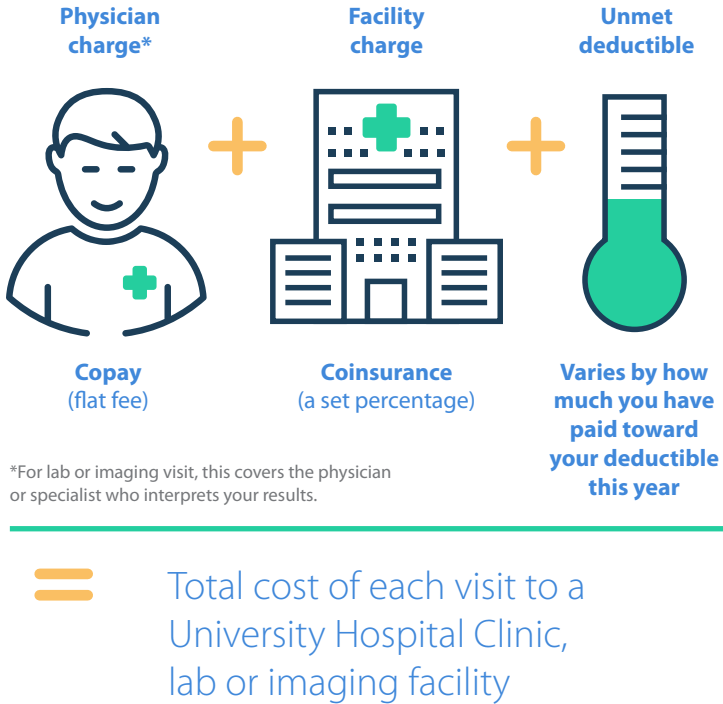
UT Southwestern University Hospital clinics, as well as our lab and imaging services, are administered by UT Southwestern University Hospitals. You will see University Hospital or UH in the clinic name.

From an insurance perspective, these visits are treated as “outpatient hospital visits” and will be billed against the hospital benefit of your insurance plan. This also means that visits to these facilities are billed in a different way than you may have experienced at other clinics or physician offices.

About staying “in network”

Most insurance plans have a “network,” which is simply a list of preferred doctors and other providers. If you visit doctors on this network list, the insurance company will pay for their share of the cost. If you visit “out-of-network” providers, and it is not an emergency, you will pay most (or all) of the cost yourself.

You can find this information on your insurance company website or by calling the toll-free number on your insurance card.



About your bill

It is our policy to estimate your financial responsibility and collect any known copay, coinsurance, and deductibles at your appointment. You may receive other treatments or procedures during your visit or at a separate time. If there is a balance due, we will send you a statement.

Explanation of Benefits (EOB)

From your insurance company

We will file your claim with your insurance company. Once they process that claim, they will send you an EOB, which looks like a bill or invoice but is actually just an explanation of what they paid or didn’t pay for a particular office visit. Do NOT send money to your insurance company for this visit or procedure.



Statement

From UT Southwestern

This is a bill from UT Southwestern showing the amount you owe.

This is sent after your insurance has paid their portion.

It is due as soon as you get it in the mail or electronically through your MyChart account. For your convenience, we accept checks via mail, or Visa, MasterCard, Discover, and American Express online and over the phone.

WHO TO CONTACT

If you have a question about ...

Contact ...

What your insurance will cover Amount of your copay Amount of your coinsurance Amount of your deductible	Your insurance company. Their toll-free number is on your insurance card, or you can visit their website.
What insurance plans are accepted by UT Southwestern	UT Southwestern Central Registration at 214-645-1299
Your statement/bill	<p><b>In the clinic</b> – Ask at the clinic’s front desk to visit with a Financial Navigator.</p> <p><b>By phone</b> – Call our Account Resolution Department at 469-291-2000 or toll free 866-648-2455.</p> <p><b>Online</b> – Answers to frequently asked questions can be found on our UT Southwestern patient website at <a href="http://utswmedicine.org">utswmedicine.org</a> under the “For Patients and Visitors” tab. Click on the Billing link on the left menu.</p>