



## Understanding Insurance Basics

Please use this as a guide to understanding common insurance terms.

### **Deductible:**

A deductible is the amount you pay for healthcare services before your health insurance company begins to share medical treatment costs.

### **Co-Pay:**

A co-pay is a fixed amount you pay to a healthcare provider at the time of service. The amount can vary based on the type of service received. This is not the same as co-insurance.

### **Co-Insurance:**

A co-insurance is a percentage of a provider's charge you are required to pay after you've met your deductible. This is a way you and your insurance provider share the cost of your medical treatment. This is not the same as a co-pay.

### **Out-of-Pocket Costs:**

Out-of-pocket costs are the dollar amount (usually the highest amount in the quotation) that if met, your insurance company will pay 100% of medical treatment costs unless specifically noted on the quotation.

### **Visit Maximum:**

Visit or Dollar maximum is the amount a health insurance is willing to pay for a covered service. This maximum can be based on the number of visits and/or a specific dollar amount per plan year.

### **Pre-Certification:**

Precertification and/or Authorization is a process in which the provider obtains approval/additional approval from your health insurance before or during your treatment. Obtaining pre-certification for your treatment will assist you and your healthcare provider with understanding your covered services and the number of visits covered.

### **Referral:**

A referral is your primary care provider's (PCP's) approval for you to be treated by a specialist. You are required to obtain a referral before you receive care.