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# A Patient's Guide to Understanding Health Insurance Coverage and Payment Practices

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As a patient, you should be involved in your medical treatment and in paying for your healthcare. This document will help you understand your health insurance policy and care payment process.

Our office staff follows the rules of your individual health insurance policy. The office staff works hard to send bills on time to your health insurance company for payment, so you will not have to pay for covered medical care.

## Eight frequently asked questions about paying medical bills:

### 1. What is a health insurance policy?

Your health insurance policy is a contract between you and your health insurance company. It is an agreement that your health insurance company will pay for covered medical care as long as your premium is paid. The health insurance company may not pay for every bill, which is why it is important for you to know which medical treatments your plan will pay for and which expenses it will not cover. Our office, which deals with hundreds of plans, does not know the details of your particular plan, and learns about your particular plan's coverage only after receiving your insurance company's explanation of benefits after submitting our claim for your services. You are responsible for paying any medical costs that the health insurance company does not pay for.

### 2. What are some common insurance terms I should know?

Be sure to check with your health insurance company to see how these terms apply to your coverage.

- **Co-payment** The portion of your medical bill which you must pay each time you visit the doctor. This fee is pre-set by your health insurance plan. Some plans have a

co-pay for the doctor's evaluation plus a co-pay for any procedures performed.

- **Co-insurance** The portion of your bill, in addition to any co-pay, that you must pay, which is a percentage of your total medical bill.
- **Deductible** The cost you must pay for medical treatment before your health insurance company starts to pay. A new deductible must be satisfied each calendar year.
- **Non-covered services** The costs for medical care or treatment that your health insurance company does not pay for. You may wish to determine if your treatment is covered by your health insurance plan before these services are rendered.

### 3. How is the doctor's office paid?

The patient pays the co-pay, if applicable, at the time of service. The office submits a claim to the insurance company seeking payment for services rendered, and the insurance company pays the office, minus any applicable co-pay, co-insurance, or deductible, at a contracted fee schedule. The office then charges the patient for any approved co-insurance or deductible as well as for non-covered services. The process by

which the office seeks payment is very complicated, which is why we need correct information from each patient.

#### **4. What information should I bring to the doctor's office?**

- Photo identification, such as a driver's license or passport;
- Your current health insurance card;
- Any change in personal information, such as name, address, employer or phone number; and
- Payment for your co-pay.

#### **5. If the patient is not the primary insurance holder, what information should I bring to the doctor's office?**

- Photo identification, such as a driver's license or passport, for the accompanying guardian, if the patient is a minor;
- The patient's current health insurance card;
- The primary insurance holder's name, address, employer, social security number and phone number; and
- Any change in personal information, such as name, address, employer or phone number; and
- Payment for the co-pay.

#### **6. Why does the doctor's office need my personal and health insurance information to get paid?**

The office staff uses this information to confirm your health insurance coverage and to send your health insurance company a claim for payment on your medical bill. The health insurance company requires your personal information, usually including your Social Security Number, before it will pay your bill. Be sure that our staff has all your correct information so that your health insurance company can pay your bill. If your health insurance company notifies our office that it cannot determine your coverage because some information is missing or incomplete, you will be responsible for payment of your entire bill. Please remember that your information may have changed since your last visit, or the services covered by your health insurance plan may have changed, which is why we require you to verify this information and display your health insurance card at each visit.

#### **7. What if my health insurance company does not pay, or pays only a portion of my bill?**

As a courtesy to you, our staff will contact your health insurance company to ask why the bill was not paid completely. The health insurance company may ask our office to appeal the or re-send the bill with more information. This typically happens when the health insurance company has not paid for a procedure even if your doctor has said it was medically necessary. You may receive a copy of our appeal letter, or duplicate correspondence from your health insurance company.

We may require your help to get a bill paid when your health insurance company does not pay. You may be asked to call your insurer or employer to find out why a bill has not been paid.

There are a number of reasons why a health insurance company does not pay a bill or a portion of a bill (see below). Those charges then become your responsibility to pay, under the terms of your insurance contract.

#### **8. What are some common reasons a health insurance company may not pay for treatment?**

- Services were provided for a pre-existing condition, which is a medical condition you had before obtaining this health insurance policy;
- The particular medical treatment provided is not covered by your health insurance policy;
- You did not provide the health insurance company with information or forms it requires;
- The health insurance premium has not been paid, either by you or your employer;
- A spouse, child or dependent is not covered by the health insurance plan, or was not added to the policy;
- The doctor is "out of network," which means we do not have a participation contract with your health insurance company;
- A health insurance policy protocol was not followed, such as the responsibility to obtain a referral or prior authorization.