HOW DOES MY INSURANCE WORK? By Dr. Dean

INSURANCE PLANS

Every plan is different. The quote you got for your policy is made up from a variety of components that your insurance company assesses on their risk to insure you. Your plan is a combination of three features: (1) **A monthly premium:** is paid by you to your insurance company to keep your membership active, and covers certain limited preventative medical benefits like annual check-up, (2) **A deductible**: the total amount of out-of-pocket medical costs you must pay to doctors before your full benefits kick-in, (3) **A Co-Pay**: the amount you must pay out-of-pocket to the doctor each time you get care (which may change once you meet your deductible). Starting every new policy period, **you pay out-of-pocket towards your deductible**, which means your insurance company pays absolutely nothing towards certain non-preventative care until your deductible is met. Your insurance company receives **claims** from your doctors every time you get care, and from you if you submit a **Superbill**; an explanation (provided by your doctor that they will hand to you) of paid-in-full services that you received in their office on the **Date of Service (DOS)** with fees explained for each service. You can easily mail the Superbill to your insurance company for processing. You can't get a Superbill unless you already paid the doctor in full.

CLAIMS

Your insurance company determines the value of the submitted claim on a one-by-one basis, and applies that valued amount toward your deductible. Most insurance companies will only pay a portion of each charge based on many factors-- there is no "price list". The amount that they will reimburse is contracted for In-Network doctors, but not for Out-of-Network doctors. As a patient, you can't ask an insurance company for a quote—or if they will pay for a certain medical service, or how much they will pay—there is no such thing. When you go to the doctor, you are at the mercy of the insurance company's willingness to pay, and to what extent they will cover your claim.

DOCTORS

There are 3 kinds of doctors: **In-Network Health Maintenance Organizations (IN-HMO) doctors** and **In-Network Preferred Provider Organizations (IN-PPO)** belong to a group that you must work with to get your care. HMOs require a referral from your **Primary Care Provider (PCP)** for a referral to see a specialist**. Out-of-Network, (OON) doctors** are not in-network, but have signed up with insurance companies to file claims so that the doctor can get paid. OON doctors may/commonly offer a wider variety of practices and specialties than HMO doctors. **Private Practice (PP) doctors** do not bill insurance, so you must pay out of pocket in full at the time of your office visit; however many PP doctors will hand you a Superbill that you can mail to your insurance company—and hopefully you can get some of your money back, and get some credit towards your deductible. Other professionals without graduate degrees like massage therapists can't bill your insurance nor provide you with a superbill without a **National Provider Identification (NPI)** number.

CLAIMS SETTLEMENTS

Doctors can charge any fee-for-service that they want when they file your claim, but it is **your insurance company that determines the value of your claim.** If you use an Out-of-Network doctor, you may be asked to sign a **Patient's Assignment of Benefits Agreement (AOB).** The AOB instructs the insurance settlement check to be paid to the doctor. The AOB requires the patient to make up any discrepancies between the amount that the doctor expects to be paid for the services even when your insurance only pays a portion, or denies a service, or the entire claim. OON doctors don't "settle" for less pay like HMO doctors do. The AOB means the patient agrees to pay the difference, usually a **designated fee schedule set by the doctor's office** that is below the amount billed to your insurance. When you ask a doctor to bill your insurance, you are legally responsible to pay the doctor's bill when your insurance doesn't. Your doctor should have an **Insurance Settlement Rate Sheet** for you to see before you get treatment.

CLAIMS EXPLANATIONS

After a claim is made to your insurance company, and they determine how much they will pay the doctor, they will send an **Explanation of Benefits (EOB)** to you and the PP doctor. The EOB is a breakdown for every **Procedure Code (CPT)—the services provided** on one date of service. CPT codes let your insurance company understand what the doctor did to help you get better. You may be contacted by your PP doctor with an updated bill that lets you understand that you owe the doctor for the part of the claim that was not covered by the insurance company— also known as **"Patient Responsibility."** When you don't pay your portion, insurance claims can go to collections and sometimes small claims court. Your doctor can opt to discontinue your care if you have unpaid bills with their office.

In or OUT of NETWORK?

In-Network doctors belong to a group of practitioners under one umbrella-- they are under contract by your insurance company to see a certain number of patients per day, and under certain time constraints. They can only refer you to a specialist in the HMO group. If your plan has a PPO feature, you don't need a referral to see on OON doctor. In my experience, I have had to wait months to see an IN-HMO doctor. My personal IN-HMO doctor's office has crowded waiting rooms with long wait times. **In-Network doctors are strictly limited by the kinds of care that they can offer**— even if there is a better treatment-- and they do not have access to every kind of care available in the medical field. Sometimes OON doctors can give you better care because they are not regulated by insurance companies regarding what treatments doctors can offer you, the duration of each visit, or how many visits you can receive. **OON doctors may offer a greater variety of care options** than In-Network doctor can. OON offices, like mine at SPINE SYNC, are easier to get into, and you will have more time (sometimes an hour or more) with the doctor. It's also a personality thing— again in my experience In-Network doctors don't usually offer that meaningful connection like you get with an OON doctor. In some cases, an OON doctor will give you their cell phone number or an after-hours number, and may be available on weekends.