



# A guide to understanding healthcare costs and insurance coverage



## | What is a **copay**?

- **A copay (or copayment) is a fixed amount of money that you pay for a health care service**, usually at the time of receiving the service.
- **Not all health plans have copays.** But, if your health plan has copays, some of the most common medical services that require a copay are: an office visit to a doctor or specialist, an urgent care or emergency room visit, and prescriptions.
- **The co-pay amount may vary based on the type of visit or service.** For example, for a visit to your primary care provider, you may be expected to pay about \$10-20 while in the office. For a visit to the emergency room, you may be expected to pay \$200.

## | What is a **deductible**?

- **A deductible is the amount of money you are required to pay out of your own pocket before your health insurance starts covering the costs of your medical care.** Once you meet your deductible, your health care expenses will be shared with your insurance company.
- If your plan has a deductible and you've met it, you only pay a percentage of the cost for the health service (known as coinsurance) and her health plan pays the rest.

1. American Cancer Society: Key Statistics for Prostate Cancer 2023  
2. Surveillance, Epidemiology, and End Results (SEER) 17 registries, National Cancer Institute, 2022  
3. American Cancer Society Prostate Cancer Screening Recommendations 2023  
4. United States Preventive Services Task Force Prostate Cancer Screening Recommendations 2018



## | What is a **premium**?

- **A premium is the regular payment you make to your health insurance company to maintain coverage.** If you receive health insurance from your employer, this payment may come directly out of your paycheck. It is separate from any out-of-pocket costs (i.e. copays and deductibles) you incur when receiving medical services.

## | What is an **'estimate of benefit'**?

- **An 'estimate of benefit' or EOB is a document provided by your insurance company that outlines the health care services you received and the costs.** It helps you understand how much you may need to pay and what your insurance will cover.
- **An EOB is not a bill,** and does not always reflect the actual cost you're expected to pay.
- **An EOB will contain information about the person who received the healthcare service,** the claim number, the healthcare provider and hospital/clinic where you received the service, and information about costs.
- If you notice that the EOB amount that you're expected to pay doesn't match the bill, it's important to contact your insurance company.

## | What is an **'out-of-pocket maximum'**?

- **An 'out-of-pocket maximum' is the maximum amount you are responsible for paying in a given year for covered medical expenses under your insurance plan.** Once you reach this limit, your insurance should cover all eligible healthcare expenses for the rest of the year.

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## | What is the difference between **an in-network and out-of-network provider?**

- **In-network providers have agreements with your insurance company to offer services at negotiated rates, typically resulting in lower costs for you.** Out-of-network providers do not have these agreements, which often leads to higher out-of-pocket costs.

## | What steps can I take to **reduce my out-of-pocket costs?**

- **To reduce your out-of-pocket costs, you can consider options like** choosing in-network providers, using generic prescription drugs when possible, taking advantage of preventive care covered by your insurance, and comparing prices for medical services before seeking treatment.

## | Can I use my health savings account (HSA) **to cover my cancer screenings?**

- **Yes, you can typically use your Health Savings Account (HSA) to cover eligible medical expenses,** including cancer screenings, as long as the screening is considered a qualified medical expense.

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# An Example<sup>1</sup> of How You and Your Insurer Shares Costs

**\$1,500** Jane's Plan  
Deductible

**20%** Co-insurance

**\$5,000** Out-of-Pocket  
Limit

January 1st  
Beginning of  
Coverage Period

December 31st  
End of Coverage  
Period

## Jane has not reached her \$1500 deductible yet

Her Plan doesn't pay any of the costs.

- Office visit cost: \$125
- **Jane pays: \$125**
- Her plan pays: \$0



## Jane has reached her \$1500 deductible, co-insurance begins

Janes has seen a doctor several times and paid \$1500 in total. Her plan pays some of the costs for her next visit.

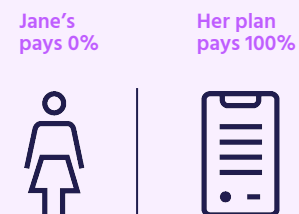
- Office visit cost: \$75
- **Jane pays 20% of \$75: \$15**
- Her plan pays 80% of \$75: \$60



## Jane has reached her \$5,000 out-of-pocket limit

Janes has seen the doctor often and paid \$5000 in total. Her plan pays the full cost of her covered health care services for the rest of the year.

- Office visit cost: \$200
- **Jane pays: \$0**
- Her plan pays: \$200



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