

Understanding Your Health Plan's Deductible

What You May Pay Before Your Insurance Company Pays

The deductible is the amount you pay before your insurance company starts paying its share of the cost of health care services you receive. Even with insurance, you pay the full cost of services until you meet your plan's deductible. An exception that applies to most plans are preventive services; most plans provide certain screenings and vaccines at no cost to you, whether you've met your deductible or not.

THINGS YOU SHOULD KNOW

You must pay all of the costs up to the deductible amount before a plan begins to pay for covered services you use. Check your policy or plan document to see when the deductible starts over (usually, but not always, January 1).

Most plans with lower premiums (the fixed amount that you pay each month to be a member of your health plan) have higher deductibles. With a lower premium plan, you'll pay less up front, but you may end up paying more in total if you need a lot of health care services in a year. Some plans count costs for medical services toward one deductible and costs for prescription drugs toward a separate deductible.

Co-insurance is the percentage you pay for most health care services even after you meet your deductible. For example, if your coinsurance for a service is 20%, then the insurance company pays 80% of the covered amount and you pay 20% for each service. Copays are dollar amounts you pay for each service, instead of a percentage of the service cost.

TOP CONSIDERATIONS

Check your health plan's website. Most health insurers have websites you can use to access the most up-to-date information about your plan. You can learn what your plan covers, what doctors and facilities (e.g., hospitals and labs) are in your plan's network, what prescription drugs the plan covers, what claims the plan has paid and how much of your deductible you still need to meet for the year. You usually need to register or create an account to log in to get information specific to your health plan.

Check the Summary of Benefits and Coverage (SBC). Whether you're shopping for a new plan or already enrolled, ask the insurance company or your employer for an SBC. This is a short list of your benefits and deductibles, copays and coinsurance amounts.

If family members are covered under your health plan, there may be two deductibles. All of the costs for services for each individual in the plan count toward an individual deductible, while all of the costs for everyone in the family added together count toward the family deductible. In most plans, once you've met the family deductible, you've also met all individual deductibles.

Your plan may pay all the costs for preventative services even before you meet your deductible. Check with your provider and your plan to make sure your service is considered preventive.

TOP THINGS TO REMEMBER

- Paying a premium doesn't mean your health insurance plan will pay for all your health care costs. You'll have to pay the full cost of most services until you meet your deductible and any co-insurance until you reach the out-of-pocket maximum.
- Lower deductibles often mean higher premiums for a health plan. Consider how likely you are to use health care services when you choose a plan. For some people, it may make sense to pay a higher premium to get a lower deductible.
- The National Association of Insurance Commissioners (NAIC) also has tools to help you understand your health plan. Read its [Consumer Guide to Using Your Health Plan](#), or visit its [consumer health page](#) for more information.

MORE INFORMATION

If you have insurance-related questions or concerns, please contact the Department of Insurance Consumer Affairs Division at 1-877-564-7323. Additional information is available on the Department of Insurance website at www.doi.nebraska.gov.