



**my Arkansas Insurance**

A Division of the Arkansas Insurance Department



# A Guide to Out-of-Pocket Costs

**There are two types of costs that you pay for health insurance:**

- **Premiums:** Your monthly payment that you make no matter what
- **Out-of-Pocket:** Costs you pay at the point of care

Out-of-pocket costs can be confusing, and each plan contains a different mix of costs. It's important to understand these terms to pick the best plan for you and your family.

## **Deductible**

Each insurance plan sets an amount that you pay for covered health care services before insurance starts to pay, called a deductible. After you pay your deductible, you generally only pay co-pays or coinsurance for covered services and your insurance pays the rest.

Plans with lower premiums often have higher deductibles. Plans with higher monthly premiums usually have lower deductibles.

All Marketplace health insurance plans pay the full cost of certain preventive health care services even before you meet your deductible. Some plans have separate deductibles for certain services, like prescription drugs.

Many plans pay for certain services, like checkups or disease management, before you've met your deductible. Family plans often have both an individual deductible, which applies to each person, and a family deductible, which applies to all family members.

## **Copayment or Co-Pay**

Co-pays are fixed amounts that you pay for covered services any time you receive medical services. For example, if your copayment for a doctor's visit is \$35 and the cost for services rendered is \$75, then you will pay \$35 and the insurance carrier will pay the rest. For drugs, lab work, or specialists, your copayment may vary.

## **Coinsurance**

Coinsurance is the percentage of cost of a covered service that you pay after you've paid your deductible. Most plans have a mix of co-pays and coinsurance.

For example, if your same plan has a 20% coinsurance on bill for \$75 in services, you pay 20% of the \$75 (\$15) and your insurance company pays the rest if you've met your deductible. If you haven't met your deductible, you will pay the full \$75.



**Do you need more help?**

**Online:** [myARInsurance.com](http://myARInsurance.com) or [Insurance.Arkansas.gov](http://Insurance.Arkansas.gov)

**Phone:** 844-355-3262 or 800-852-5494; M-F 8:00 a.m. - 4:30 p.m.