Huntington Health
An Affiliate of Cedars Sinai

Fair Oaks Women's Health

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EXPLANATION OF MEDICAL BILLING

For all medical services we provide, we will submit a claim to your Insurance Plan. It is extremely important that we have accurate information about your plan. After we receive the EOB (explanation of benefits form), we will determine the amount, if any, that you still owe. Your statements will reflect this amount.

IMPORTANT!: Is our group "in-network" or "out-of-network"? Is the lab we use for blood or urine or cultures or pap smears in or out of network? Is the imaging center we use for mammograms in or out of network? What about the Hospital (Huntington) or the Surgery Center? **If our group, the lab, the imaging center, the hospital or the surgicenter is out of network, then covered benefits can be less or even zero, co-pays can be higher, and deductibles can be higher.** You need to check what your in-network and out-of-network benefits are. Sometimes there are no out-of-network benefits at all.

Introduction
Medical insurance involves 3 common forms of payment to physicians.
These are the **co-pay**, the **deductible** and the **co-insurance**.

The fee
Medical billing is called fee-for-service. The doctor provides services. For each service there is a fee (or a charge) linked to a procedure code. The amount you owe is usually less than the full fee due to fee-reduction agreements between the doctor and your health insurance company. Contrary to what many people believe, insurance does not "cover everything".

The co-pay
The co-pay is the amount of money that you owe up front for every doctor visit. Each insurance plan is different. The co-pay might vary in amount or there might be none. The co-pay needs to be paid in advance at the time of your visit. Some co-pays are as high as $50. We are specialists, so that type of co-pay applies. For many plans, there is no co-pay for the annual preventive medical care visit (we call these the Well-Women, or WW, visit).

The deductible
There is usually an annual deductible. This is money that the insurance company determines is owed to the physician and the patient has to pay it. This amount will be "applied" to your deductible, lowering it. When a claim is processed and a balance due is applied to your deductible, you owe this money to the practice. *See the example below*.

The co-insurance
This is the percentage of the fee that is owed to the practice based on your plan, AFTER YOU HAVE MET YOUR DEDUCTIBLE. The amount depends on what the insurance has approved for payment. You owe the co-insurance amount to the practice. *See the example below*.

Example using the above terms
You go to the doctor for a problem. The visit ***fee*** is $150. Your ***co-pay*** is $10 and this is paid at the time of the visit. A claim is filed with your insurance company. They approve a payment of $100.00, but you have a 20% ***co-insurance***.

The $100 is what your insurance has approved for the full payment for this visit. You have already paid $10 of this as your co-pay so the insurance owes $90. You have a ***co-insurance*** of 20%, so they will only pay 80% of the $90. Thus, they will pay only $72 because your co-insurance is $18. So you have paid $28 total ($10 co-pay plus the 20% or $18 co-insurance) and your insurance has paid $72.

If you have an unmet ***deductible***, the insurance will "apply" the $100 (the approved fee) to your deductible. In this case, you owe the full $100 to the practice and your deductible goes down by $100.