HOW "TYPICAL" HEALTH INSURANCE WORKS

Plan Year Starts Doctors, Hospital care, Emergency Medications, Images, Therapy, Labs

Preventive and Acute care

2

Patient gets routine preventive care

No cost to patient.

But, Providers are paid standard amounts 3

Patient gets additional needed care

Full Cost paid by patient until the sum equals "Deductible" threshold 4

Patient gets more needed care

"Copay" paid by patient until the sum equals "Annual Out of Pocket Maximum" 5

Patient gets more needed care

Allowable
Costs paid
by insurance
until the
sum equals
"Lifetime
Maximum"

6

Plan Year Ends

Next year the annual process and amount will start again

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