HOW U.S. INSURANCE WORKS

You pay:

PREMIUM = $$$
$ per month x # months insured

DEDUCTIBLE = $$
$ per accident or illness or per policy period

CO-INSURANCE = %
Percentage share of cost for each service in US $ (e.g., 20%)

COPAYMENT = $
Set dollar share of cost for each service (e.g., $20)

Out of Pocket means:
$ dollar amount you have to pay out of your own pocket for covered health care services during a set time period, e.g., yearly

Example:
- $200 premium per policy period
- $50 deductible per event or policy period
- $20 coinsurance per injury/sickness

= $270 total out of pocket costs

Insurance Company pays:

Balance after deductible and co-insurance or copayment, if any, for each service, subject to policy terms (the service must be a covered benefit to be reimbursed by insurer)