

Understanding Healthcare Prices

A Consumer Resource for Making Informed Choices

Many Americans don't know what an emergency department visit or an operation costs until a bill from a healthcare provider or a letter from your health insurance plan comes in the mail.

Price transparency information should provide patients with the information they need to understand the total price of their care and empower patients to make price comparisons prior to receiving care. You should receive the information you need to understand:

- ▶ The total price of your care
- ▶ What is included in that price
- ▶ What is excluded from that price

How Health Insurance Impacts Price

Today's health plans are designed to include more cost-sharing with their members to encourage people to make better healthcare choices. The price you pay for a healthcare service depends on your health insurance coverage and network.

Insurance Coverage

Your health plan coverage, including your deductible, copayment, and coinsurance, determine how much of your healthcare costs you will pay, and how much your health plan pays.

Network

Health plans have different networks of providers—doctors, hospitals, and other healthcare professionals. **When you receive care from a network doctor or hospital, you typically pay a lower price** because each of these providers has agreed to accept your plan's contracted rate as payment in full for services.

If you go out of the network, you usually pay a higher price because providers outside your network have not agreed to any set rate with your insurer, and may charge more. Your plan may require higher copayments, deductibles and co-insurance for out-of-network care.

You will want to know:

- ▶ If the provider you are considering is in your plan's network
- ▶ Your total costs if you use an out-of-network provider



How to Get an Estimate

Schedule healthcare services ahead of time to take financial considerations into account. **Follow the steps below to get an estimate before you receive care.**

Step 1 Get the Specifics

Visit the doctor and ask for:

1. The technical name of the procedure you will be having
2. The insurance codes
3. A list of tests you may need
4. Information about follow-up care

Step 2 Request the Estimate

When you have the specifics from your doctor, look to your health plan for a price estimate. Some health plans have price information available online. If price information is not available online or you need help finding or using the information, call the plan's customer service number, which is usually on the back of your insurance ID card.

You may need pre-approval or prior authorization from your health plan before you have surgery or receive certain other healthcare services to ensure your plan will cover your claims.

Step 3 Know the Limitations of the Estimate

The price estimate should include:

- ▶ The total price of your care and the portion of that price that you are expected to pay
- ▶ What is included in the estimate
- ▶ What *is not* included in the estimate
- ▶ The network status of the specialist, hospital, or other providers you are considering

Save the estimate you receive.

You may need to refer to it later after you receive a bill.