

Understanding deductibles, co-insurance and plan maximums



Benefit plans typically do not pay 100 percent of eligible expenses. It's quite possible that you may be required to pay a small portion of eligible expenses under your benefit plan as a result of deductibles, co-insurance and plan maximums.

What is a deductible?

A deductible is a flat dollar amount you must pay before the insurer will begin making benefit payments. Most insurance talks about "satisfying the deductible" — In plain language this means you have to pay this amount before any reimbursement for benefits takes effect.

Everyone has heard of a deductible associated with a claim for a car accident. Just like you would be responsible for paying the first \$500 of your car insurance claim for damages, your health plan may require you to pay the first portion of the payment for your health insurance expenses.

Deductibles can apply to coverage for the entire plan, across certain benefits, or a combination of both. Be sure to consult your plan booklet or CARESnet at caresnet.ca for specific information related to your plan.

Extended Health Claims 604 419-2600
Dental Claims 604 419-2300
HSA Claims 604 419-2600
Travel Plan Claims 604 419-2600
Toll-free 1 800 275-4672

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What is co-insurance?

Co-insurance is a percentage portion of the total cost for health and dental services or products that you would be required to pay in excess of your deductible. While the deductible is a set dollar amount you must reach, co-insurance occurs for every expense.

A typical co-insurance percentage (the amount you would be responsible for) is 20 percent, meaning the plan would pay 80 percent of the expense; however certain benefits, such as major dental and orthodontic coverage, may have a higher co-insurance.

Each benefit plan is unique and not all have the same co-insurance percentage. It's best to consult your booklet or CARESnet for specific information related to your plan.

There are many ways for plan members to reduce their out-of-pocket expenses. Learn more about how you can decrease the amount you pay in getting the most out of your benefit plan.

What are plan maximums?

Benefit plans sometimes place dollar limits, or maximums, on certain benefits and services in a specified time period. Maximum amounts can apply to the total amount of claims that may be paid during a plan year or even over the course of a person's lifetime.

Maximums vary across every benefit plan. CARESnet will show you benefit plan usage and eligibility providing you with information about any maximums that apply to your benefit plan.