

# Do You Understand Health Insurance?

**Which of the following describes an (in-network) Out-of-Pocket Maximum?**

**Assume that all the responses refer to in-network expenses.**

- a. **After meeting the out-of-pocket maximum, all medical expenses are covered 100%**
- b. After meeting the in-network out-of-pocket maximum, copays must still be paid, but all other medical expenses are covered 100%
- c. After meeting the out-of-pocket maximum, you must pay 100% of your medical expenses
- d. I'm not sure

**Which of the following best describes Coinsurance?**

- a. A specified dollar amount you pay for a specific service
- b. The total amount you are required to pay until you reach your deductible
- c. **The percent of the cost of medical services that the insurer pays**
- d. The amount the employer contributes to paying for your health premium
- e. I'm not sure

**Which of the following best describes a Copayment (Copay)?**

- a. **A specific dollar amount you pay for a specific service**
- b. A specific dollar amount your insurer pays for a specific service
- c. A fixed percent of the cost of a procedure that you have to pay (insurer pays the remainder)
- d. The amount your employer contributes to paying for your health premium
- e. I'm not sure

**Which best describes a Deductible?**

- a. An amount deducted from your paycheck to pay for your insurance premium
- b. The amount deducted (covered) out of your total yearly medical expenses
- c. **The amount you pay before your insurance company pays benefits**
- d. The amount you pay before your health expenses are covered in full
- e. I'm not sure

**Source:** Kliff, S. 2013. Do you understand health insurance? Most people don't. *The Washington Post*. <http://www.washingtonpost.com/blogs/wonkblog/wp/2013/08/08/do-you-understand-health-insurance-most-people-dont/>.