

Once you sign up for health insurance through Covered California, you will pay a monthly fee to your health plan. This is called a “premium.” In return, your health plan agrees to help pay for the medical services you'll need if you get sick or hurt. Although your health plan will cover a lot of the cost, you will also usually have to pay for part of your own care yourself. The part that you will pay for is called “**cost-sharing.**” Three common forms of cost-sharing are **copayments**, **coinsurance**, and **deductibles.**

## Copayment

A copayment (or “copay”) is a set amount of money you will pay to get a healthcare service, like a prescription drug or a visit to the doctor. The amount is always the same, no matter how much the doctor or hospital or pharmacy charges for the service.

For example, if your health plan has a copayment of \$45 for laboratory services like blood tests, but the lab charges \$100 for your blood work, you will still only have to pay your \$45 copay. Even if the lab charges \$1,000 for blood work, your copayment will still be \$45. Your insurance company will pay the rest after the deductible.

Different healthcare services come with different copayments. Your copay amounts will be listed on your plan's **Summary of Benefits and Coverage** (SBC) form.

## Coinsurance

Unlike a copayment, coinsurance is not a set amount of money you will have to pay. Instead, it is a percentage of the cost of a service. The amount you pay will depend on how much the healthcare service costs.

For example, if your health plan has a coinsurance rate of 20% for hospital services like childbirth, and the hospital charges \$1,000 for your care, your coinsurance will be \$200 (20% of \$1,000).

Unlike copayments, the amount you pay will change depending on how much your medical care costs. Different healthcare services also have different coinsurance percentages. Your plan's **Summary of Benefits and Coverage** (SBC) will list the coinsurance percentages for different services, but it will not show the amount charged for each service.

Each plan has a **Summary of Benefits and Coverage** (SBC) form that lists all the services covered under the plan. Your SBC will tell you what services require cost-sharing, and what your cost-sharing responsibility is for each service. Your health plan should give you a copy of your SBC, and you can also find them online at CoveredCA.com.

## Deductibles

For some healthcare services, your health plan will only pay *after* you have paid a certain amount of money first, called your deductible. This means that you will have to pay a certain amount of money, in addition to your monthly premium, before your health plan will pay for anything.

For example, if you require care and your deductible is \$500, your health plan won't pay for *anything* until you've spent \$500 of your own money out-of-pocket.

There are some healthcare services that your health plan must pay for, regardless of if you've paid your deductible or not. For example, annual visits to the doctor and certain preventative care are always included in your health plan. You do not need to pay a deductible for these. You should look closely at your plan information to find out when you do need to pay a deductible – and when you do not.

## Things to remember:

1. If a copayment applies to a service, the exact amount you will have to pay should be listed on your insurance card. You can also find the copayment amount on your plan's SBC form.
2. If your plan has coinsurance for a service, it may be hard to figure out how much you will end up paying. Coinsurance is a percentage of the total charges, not a set amount. It's not always easy to figure out the amount of the charges the coinsurance applies to, because doctors, hospitals, and other providers don't charge a set price for services. You can find the coinsurance rate for different services on your plan's SBC form, and your health insurer's website may have a cost estimator that will help you determine the cost of the service.
3. Services in a hospital or outpatient facility will likely cost more than services in a doctor's office. Also, different labs, facilities or doctors charge very different prices for the same service. This is another reason it can be hard to know in advance what you will have to pay for services using coinsurance. You can try to estimate your costs by asking your provider what the rate for that particular service is, and then calculating how much your coinsurance percentage is.

## Want more information? Check these out:

*FAQs for Enrolling in Covered California  
Bronze, Silver, Gold, or Platinum: How to Choose the Right Level of Coverage  
Is My Doctor in a Covered California Plan? Why "Networks" Matter  
Financial Assistance from Covered California  
Reporting Income to Covered California*

Find the these factsheets and more at  
**ConsumersUnion.org/CalHealthInsuranceHelp**