

Medical Insurance Basics

Insurance Plans and Policies and what patients are charged for medical procedures can be a confusing and sensitive topic. The following is intended to provide the basics of how insurance actually works for the patient and for the doctor. We hope that you will find this to be useful, and perhaps mitigate issues that can come up when patients are surprised about what their insurance policy does or does not cover, and consequently what they are required to pay “out-of-pocket.”

Medical Insurance Plans and Policies (such as United Health Care, Kaiser, Humana, Aetna, Medicare, Tricare, and all the others) for the patient and for the doctor are very specific and are non-negotiable. For the patient, their insurance plan specifies what is covered, co-pay amounts per visit, and if there is a deductible and/or co-insurance that must be satisfied before the insurance company will begin to pay on any claims.

For the doctor, those same plans specify what the doctor will charge for each procedure and what the doctor will be paid. Just as the patient cannot “negotiate” with their insurance plan once they have signed the contract, the doctor also cannot change what is charged for a procedure, or what the patient’s co-pay is, or what the patient’s deductible might be. The doctor enters the code for the procedure rendered and submits the claim to the appropriate insurance carrier. The insurance company pays what it will pay. Anything that isn’t paid and isn’t written off per contract specifications is sent to the patient for payment. All of this is regulated by federal, state, insurance commission, and medical board/society laws and regulations, and doctors are audited to ensure they are in compliance with all these rules and regulations.

We encourage you to examine your medical insurance policy so that you know exactly what will and will not be covered and what you can expect to pay at time of service in the clinic and later on if your policy doesn’t cover a portion of the charges for those services. We look forward to helping you become comfortable in your skin.

Respectfully,

Colorado Dermatology Institute