INSURED AMERICAN & FAMILY

VETERAN / FAMILY OWNED
& OPERATED
(813) 919-8536
C.Gruenbaum@insuredaf.com
insuredaf.com

Health Insurance Terms 101

Decoding the words on every plan

Premium. Deductible. Copay. Coinsurance. OOP Max. Here's what each one actually does to your wallet.

WHAT IT IS

Health insurance throws five words at you that determine what you actually pay: premium, deductible, copay, coinsurance, and out-of-pocket maximum. Get these five right and you can compare any two plans intelligently. Get them wrong and you're guessing.

THE FIVE TERMS THAT MATTER

P
Premium

What you pay every month to keep coverage active, even in months you never see a doctor.
D

Deductible
What you pay out of pocket before insurance starts paying its share for covered services.

CO
Copay

Fixed dollar amount for a specific service (e.g., $30 for office visit, $15 for generic Rx).
CI

Coinsurance
Percentage of cost you pay AFTER your deductible is met (e.g., you pay 20%, insurance pays 80%).

MAX

Out-of-Pocket Max
The most you'll pay in one year. After this, insurance covers 100% of covered services.

HOW THEY FIT TOGETHER
Pay your premium every month, even if you never use healthcare.

Use a service → pay copay (if applicable) or full price until you hit your deductible.
After deductible → coinsurance kicks in (you and insurance share the cost). Spend enough that you hit the OOP max → insurance covers 100% for the rest of the year.

THE 3 THINGS PEOPLE GET WRONG

1. **"Lower premium = cheaper plan."**
   Only if you don't use healthcare. Once you actually need care, the deductible, coinsurance, and OOP max determine your real cost , and they're often higher on low-premium plans.
2. **"Once I hit my deductible, everything is free."**
   No. Coinsurance kicks in after the deductible. You pay your percentage share until you hit the out-of-pocket maximum.
3. **"Copays apply to my deductible."**
   Usually NO. Copays are flat amounts that often bypass the deductible for specific services. Plan rules vary, read the fine print.

ALWAYS COMPARE TOTAL ANNUAL COST:

Premium × 12 + expected medical spend + worst-case OOP exposure = the real number to compare across plans.

Confused by what your plan actually costs? Call or text Craig, I'll help find the best plan that fits your medical and financial needs.

Don't go underinsured when you can be Insured AF.

Craig Gruenbaum | Insurance Advisor | (813) 919-8536 | C.Gruenbaum@insuredaf.com | insuredaf.com | Licensed in 37 states