

# Understanding What A Copay Is

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For many young people understand the health-insurance can be challenging, especially if this is your first go at it. You probably heard a lot of terms being thrown around and they may be confusing. If you are out there looking to get new health-insurance understanding these terms can be critical to making sure you make the right decisions.

Unless you understand the language of health insurance, going online, or looking through insurance pamphlets and brochures, will most likely leave you in a state of shock and in total darkness.

Here are some simple terms to help you out. This whole process doesn't have to be confusing at all. Just having some knowledge about a few simple Health Insurance terms, will empower you to finally come to a full understanding, and feel totally secure when picking out a plan that you understand, and are comfortable with, one that covers your needs and is affordable.

Deductibles:

The Deductible is simply the amount of money you are responsible to pay for before the company starts paying.

You probably have a deductible on your car insurance right? Well, this is basically the same thing. What you are saying is you will pay up to a certain amount. Once you hit that amount the insurance will cover the rest. So, if your deductible is \$100, you pay the first 100 and insurance pays the rest.

The higher your deductible, the lower your Health Insurance premiums. Health Insurance deductibles work basically the same way as your auto insurance collision deductible does.

The Co-pay:

The co pay can also be part of your insurance plan. While this may sound confusing it is not the same as the deductible. Depending on the different kind of service you are getting, your plan may require you to pay a co-pay. Co-pays are known in the insurance world as, 'fixed amounts' that are usually associated with any services, from medical prescriptions to a doctor's visit.

If your Health Insurance Plan states you have a 35.00 co-pay for doctor's visits, you can actually see your doctor for only 35.00 as soon as your coverage kicks in.

Most plans offer a fixed co-pay for prescriptions. If your co-pay is 10.00, you just pay 10.00 when picking up your medicine, no matter what the total bill for your prescription is. Now, there might be exceptions in the area of brand named drugs and or specialty medications that are extremely expensive and specific. At this point, these medications will have their own separate deductible that has to be met before your co-pay advantage plan comes into affect.

This particular deductible has absolutely nothing to do with the general health insurance plan deductible. Don't make a big deal regarding the co-pay amount listed on your individualized plan. Unless you plan on going to the doctor every single time you feel the slightest discomfort, it doesn't matter whether your co-pay is 10 or 100 dollars.

Typically, the higher the co-pay or deductible to lower the monthly insurance premium. The term premium refers to the amount that you pay for the insurance coverage per month. Because you are taking on a higher burden with a higher co-pay or deductible, that is why the insurance premium is typically lower.

If you are a healthy person and very infrequently need medical care, then going with the highest co-pay and highest deductible may be in your best interest. However, if you do have medical conditions you may choose to lower option.

For more information, visit [thehealthinsuranceshop.com](http://thehealthinsuranceshop.com) for details about cheap medical health insurance and major medical health insurance.

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