GBS ADVOCACY
Insurance Insights

In-Network vs. Out-of-Network

Why Choose an In-Network Doctor / Facility?

In-Network providers (doctors, hospitals, etc.) have signed a contract with your insurance company to provide services at pre-negotiated rates. Typically, this means you will pay lower out-of-pocket costs because the rates have been discounted.

Important Terminology To Understand Medical Billing / Claims

Full Fee: This is the total cost of a service at your doctors' office regardless of insurance.

In-Network: A doctor/provider that is In-Network has signed a contract with your insurance company to provide you services at a negotiated rate that is usually discounted from the provider's full fee.

Allowed Amount: The allowed amount is the maximum your insurance plan will pay for a covered service. Can also be called "negotiated rate" or "payment allowance". This amount can vary depending on if the provider is in or out of network.

Out-of-Network: If you receive services from a provider/facility that is Out-of-Network there is no negotiated discounted fee, and you will be responsible for paying your providers full and total cost.

Balance Billing: When you receive services out-of-network you will be responsible for the difference in cost between the providers full fee and your insurance companies allowed amount. If your insurance plan pays 50% they will pay 50% of the allowed amount NOT the providers full fee.

Write Off: If you receive services from an in-network provider they will "write off" the difference between their full fee and the allowed amount. This amount is not your responsibility when in-network.

Amount Paid: Is your insurance plans payment to the provider. This is based off your benefit percentage and the insurance companies allowed amount.

Patient Responsibility: The amount YOU owe after a claim is paid by your insurance and all applicable write off's have been applied.

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In-Network vs. Out-of-Network

In-Network Office Visit to Your Doctor	Charges / Deductions	Payments
Office Visit (**full fee** / no insurance)	**$150**	
Insurance Plans **Allowed Amount** for an Office Visit Charge	**$50**	
Insurance X **amount paid** based on their allowed amount and your benefit coverage. If you have 80/20% coverage this will be paid at 80% of the **allowed amount.**		**$40**
Write Off	**-$100**	
Patient Responsibility – this will be 20% of the allowed amount		**$10**
Total Charges and Payments	**$50**	**$50**

Out-of-Network Office Visit to Your Doctor	Charges / Deductions	Payments
Office Visit (**full fee** / no insurance)	**$150**	
Insurance Plans **Allowed Amount** for an Office Visit Charge	**$50**	
Insurance X **amount paid** based on their allowed amount and your benefit coverage. If you have 80/20% coverage this will be paid at 80% of the **allowed amount.**		**$40**
Write Off	**-$0**	
Balance Bill – since you received services out-of-network there is no write off and you are responsible for the difference between the allowed amount and the provider's **full fee**.		**$100**
Patient Responsibility – this will be 20% of the allowed amount **PLUS** the balance bill for being out-of-network.		**$110**
Total Charges and Payments	**$50**	**$150**

The patient that had their services completed in-network spent **$100 less** than the patient that received services out-of-network

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