

The CMS Blog

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Five Facts about Deductibles

NOVEMBER 17 BY [CENTERS FOR MEDICARE & MEDICAID SERVICES](https://blog.cms.gov/author/cmsnewmedia/)
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By Kevin Counihan

When you shop for coverage at [HealthCare.gov](https://www.healthcare.gov/) (<https://www.healthcare.gov/>), you'll have a variety of plans from which to choose. These options allow you to find a plan that meets your health needs and fits your budget. To find the plan that works best for your family, you should consider many different factors, such as how much the premium costs each month, the yearly deductible, what services are covered before you meet the deductible, whether your doctors are in the plan's network or specific prescription drugs are covered, and whether you qualify for cost-sharing reductions that limit your out-of-pocket costs. While premiums can often be a deciding factor, these other considerations could be just as important.

([../..../..../msgovblog.files.wordpress.com/2015/11/2015-11-17.png](https://www.cms.gov/Newsroom/MediaReleaseDatabase/Press-releases/2015-Press-releases-items/2015-11-3-2.html)) Factoring in out-of-pocket costs has always been part of buying health insurance, but for the first time now there are a lot of resources to help you better understand your choices at [HealthCare.gov](https://www.healthcare.gov/) (<https://www.healthcare.gov/>). These include new features that allow you to see your total estimated out-of-pocket costs, to [search health plans](https://www.cms.gov/Newsroom/MediaReleaseDatabase/Press-releases/2015-Press-releases-items/2015-11-3-2.html) (<https://www.cms.gov/Newsroom/MediaReleaseDatabase/Press-releases/2015-Press-releases-items/2015-11-3-2.html>) by your preferred provider and to see if your prescription drugs are covered. Today, let's take a more in-depth look at your plan's deductible and what it means for selecting a plan that's right for you.

A health plan's deductible is the amount you owe for the health care services your plan covers before your health insurance plan begins to pay. Preventive services like cancer screenings, immunizations and well-child visits are always covered without any additional costs to you. But it's important to remember that many plans cover the costs for certain key services before you meet your deductible, unlike what you might see in other kinds of insurance like for your car or your home. That means that even though your health plan has a deductible, it might not matter for the services you use most frequently, like primary care visits or generic prescription drugs.

According to an analysis of 2015 plan selections, more than 8 in 10 consumers in 2015 selected a plan that covered some popular health services (beyond preventive care) before meeting the deductible.^[1] ([index.html#_ftn1](#)) That includes 53 percent of bronze plan consumers, 88 percent of silver plan consumers, 93 percent of gold consumers, and 99 percent of those who selected a platinum plan.

Here are five things to know about deductibles in Marketplace plans:

1. All Marketplace plans cover recommended preventive services without a deductible.

Services like cancer screening, immunizations, and well-child visits will always be covered without having to pay your deductible, any co-pay, or other costs to you.

2. Many other health services are often covered without a deductible. Many health insurance plans provide some benefits before you meet the deductible. In those plans, you may be able to visit your primary care doctor or fill a prescription for a generic drug and only pay a copay – a small fixed amount you pay at time of service. Even specialist visits, mental health outpatient services, and brand name drugs are often covered with no deductible, although you will still be responsible for copayment or coinsurance.

3. Look to see what your plan covers without a deductible. Plans differ in what they cover, so when you find a plan that you're interested in, click on the plan on [gov](https://www.healthcare.gov/) (<https://www.healthcare.gov/>) and look at the "costs for medical care." That section will describe which services have a deductible and which don't. Another way to get a more detailed view is to click on a plan's "Summary of Benefits and Coverage." There, you'll see a detailed explanation of how the plan deductible applies to different services, and you can see examples for certain kinds of care.

4. Consider services covered without a deductible along with your monthly premiums, deductible, and other out of pocket costs when choosing the plan that is right for you. When you choose a health insurance plan, it's important to understand what your insurance company covers without requiring you to pay your deductible. Then you can decide how to trade off monthly premiums, out of pocket costs including the plan's deductible, and the set of services covered without a deductible. For instance, do you want a plan with lower monthly premiums and a higher deductible, or one with a higher monthly premium and a lower deductible? You can use our [Out of Pocket Cost feature](https://www.healthcare.gov/see-plans/) (<https://www.healthcare.gov/see-plans/>) to estimate what your premiums, deductibles and co-pays may be for the year, based on the number of times you go to the doctor or get a prescription filled, to get a better understanding of your total out of pocket costs.

5. Silver plans can save you more. If you qualify for cost sharing reductions – as most consumers who sign up for Marketplace policies do – you can save more. A family of four with income below \$60,625 can qualify for additional savings with lower copays, a lower deductible, and more services covered with no deductible at all. This financial assistance is only available if you purchase a Silver plan; so while a Silver plan may have monthly premiums that are higher than a Bronze plan's, be sure to consider your total costs. If you qualify, your maximum annual out-of-pocket costs – counting your deductible and all payments after you meet the deductible – could be lowered by thousands of

Silver Plan Analysis:

Covered Care before Meeting the Deductible

Primary care and generic drugs are the services most likely to be covered without a deductible, but many plans cover a variety of other services without a consumer having to meet the deductible first.

Looking at silver plans only for consumers that aren't receiving cost-sharing reductions:

- 80 percent of consumers selected a plan with a primary care visit covered below the deductible, and 73 percent covered specialty care;
- 82 percent of consumers selected a plan with generic drugs covered below the deductible, and 56 percent covered brand name drugs; and
- 59 percent of consumers selected a plan with mental health and substance use disorder outpatient services covered below the deductible.

Overall, on average nearly 7 services – beyond preventive services – were covered below the deductible in selected silver plans in 2015.

dollars, and your deductible could be lowered as well. [Check to see if you qualify for these savings.](https://www.healthcare.gov/lower-costs/) (<https://www.healthcare.gov/lower-costs/>)

We want you to feel confident that you've picked the right plan. If you have questions about the options available to you, there are a number of ways to find free, personal help. Representatives at the Call Center are available 24 hours a day, every day (except for Thanksgiving and Christmas Day) at 1-800-318-2596. Call Center representatives can answer questions and help you enroll in coverage over the phone. Free confidential, in-person help is also available at enrollment sites and events in communities across the nation. Visit [HealthCare.gov](https://www.healthcare.gov/) (<https://www.healthcare.gov/>) to search for local help in your neighborhood.

[1] ([index.html#_ftnref1](#)) This analysis is based on a point-in-time snapshot of plan selection data from 2015. It does not reflect effectuated enrollment.

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