

example, if the coinsurance is 10%, you will be responsible for paying 10% of the cost of the service you received, while the insurance company pays the other 90%.

Under Northwind Standard, coinsurance is set at 20% for in-network services, with some exceptions. For in-network hospital stays, coinsurance is set at 25%. Additionally, coinsurance for out-of-network services is set at 40%.

It's important to note that coinsurance does not apply to the services that are covered by the plan's copayment amounts. Copayment is a fixed amount that you are responsible for paying for certain services and is typically much less than coinsurance. Additionally, Northwind Standard does not require coinsurance for preventive care services.

When you receive services, it's important to ask about the cost of the service and make sure you are aware of any coinsurance costs. It's also important to be aware of the coinsurance rate for out-of-network services and to consider if it's worth the cost to pay more for out-of-network services.

It's also important to be aware that coinsurance costs are calculated based on the allowed amount for the service. This means if you receive a service that is more expensive than what is allowed by the plan, your coinsurance costs will be based on the allowed amount, not the actual cost.

If you are unable to pay the coinsurance costs for a service up front, Northwind Standard will allow you to make payments over time. This is a great option for those who need services but may not be able to pay the entire coinsurance amount in one payment.

Finally, it's important to know that coinsurance costs are applied to your out-of-pocket maximum. This means that you can use coinsurance costs to help you reach your out-of-pocket maximum faster, thus reducing the amount of money you need to pay out of pocket for services.

In summary, coinsurance is a cost sharing requirement under Northwind Standard that is typically 20% for in-network services and 40% for out-of-network services. It's important to be aware of the costs associated with coinsurance and to consider if it's worth the cost to pay more for out-of-network services. Additionally, coinsurance costs count towards your out-of-pocket maximum and you can make payments over time if needed.

### **Out-Of-Pocket Maximum**

#### **IMPORTANT PLAN INFORMATION: Out-of-Pocket Maximum**

Employees enrolled in the Northwind Standard plan can benefit from an out-of-pocket maximum that helps to protect them from large medical bills. This limit applies to certain covered services and includes deductibles, coinsurance, and copayments. The out-of-pocket maximum for the Northwind Standard plan is \$6,350 for an individual and \$12,700 for a family.