

Health Insurance Defined

Learn these terms so you can understand what you pay for health insurance.

Premium

The cost of your health plan. Your share of the premium is deducted from your paycheck.

Deductible

The amount you pay for health care services before your health insurance begins to pay. The annual deductible is based on the calendar year, Jan. 1 to Dec. 31

Copayment

A fixed amount you pay for a medical visit or prescription.

Total out-of-pocket maximum

The most you have to pay for covered services in a calendar year, including deductibles and copayments.