

STATE OF NEW MEXICO  
OFFICE OF SUPERINTENDENT OF INSURANCE

SUPERINTENDENT

Russell Toal



DEPUTY SUPERINTENDENT

Jennifer A. Catechis

CONSUMER ADVISORY

JULY INSURANCE TIP OF THE MONTH

The Office of the Superintendent of Insurance advises consumers to review their health insurance Explanation of Benefits Notices carefully. Superintendent Russell Toal warns “Whenever you receive health care, your doctor submits a claim to your insurance company and your insurance company decides how much it will pay the doctor and how much you have to pay the doctor. This information is provided to you on an Explanation of Benefits Notice and it is important to understand so that you know whether your insurance company is providing the correct benefits. If you don’t agree, you can file a complaint.”

**Understanding the Explanation of Benefits Notice (“EOB”)**

When you receive care from a provider or file a claim for services received, your health insurance carrier will send you an EOB. *This form is not a bill.* The EOB explains what medical treatments and or services were provided to you and the amount your health plan will pay towards the charges. Your health care provider can then bill you for the amounts that the health plan does not cover.

Review the EOB:

- ✓ verify that the information on the EOB is accurate (name of patient, physician that provided services, description of services, date services were performed)
- ✓ Check for the procedure code(s) and description of the service(s) performed

If your EOB has any inaccuracies, call your insurance company and your health care provider to ask for correction.

**What the EOB Terms Mean**

- **Billed amount:** This is the amount that the medical provider has billed your health insurance carrier for the services provided to you.
- **Allowed amount:** This is the amount agreed upon between your health insurance carrier and the medical provider for the services received. This is the maximum amount the health insurance carrier will pay.
- **Adjusted amount:** This is the difference between the billed amount and the allowed amount.

- **Insurance paid amount:** The amount your health insurance carrier paid your medical provider.
- **Non-Covered amount:** The amount you are responsible for paying for a service that was provided to you either because it was not covered by your health plan or the provider was out of network, (if it shows denied or non-covered, read the explanation below that explains the reason for the denial).
- **Patient responsibility (amount you owe- Deductible, Copay, Coinsurance):** The amount you may be responsible for paying within the plan structure
- **Deductible:** The amount you pay for covered health care services before your health plan starts to pay.
- **Copay:** The fixed amount you pay for a covered service (*usually at the time of service*).
- **Coinsurance:** The percentage of costs of a covered service you pay after you have paid your deductible.

Your health insurance company's website is a great resource to help you understand your health insurance, learn how to use your plan, select a provider, pay your bill, and many other options.

You can also visit [https://naic.org/pio\\_news/pio-using-your-health-plan.pdf](https://naic.org/pio_news/pio-using-your-health-plan.pdf) for information on using your health plan.

**COVID-19 Health Insurance Helpline: 1-833-415-0566**

**More information is available on the OSI website: [www.osi.state.nm.us](http://www.osi.state.nm.us)**

**File a Consumer Complaint: [www.osi.state.nm.us/index.php/file-a-complaint](http://www.osi.state.nm.us/index.php/file-a-complaint)**