Blog Post Template #2: How to Read Your Explanation of Benefits (EOB) Statements

<table>
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<th>What it is</th>
<th>Provides tips for reading Explanation of Benefits (EOB) statements.</th>
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| What you need to do | 1. Customize the content for plans you do offer and include specific details about your plans and programs.  
   a. The necessary information is set apart from the remainder of the text by being [enclosed in brackets and set in bold italic text]. Within the brackets you will find what information needs to be entered.  
   There are also additional instructions at the top of some sections—which can be [enclosed in brackets and set in bold italic text] to look for when making changes (erase after completing).  

2. Read the copy after entering new text to ensure formatting is logical and check for consistency of style and verb tense. Feel free to make additional changes to the main text to fit your company’s needs and style of communication.  

3. Once you’ve customized for your company’s benefits programs and style of communication, you can easily use the content as an intranet or newsletter article, email or blog post. |

How to Read Your Explanation of Benefits (EOB) Statements

You’ve probably received Explanation of Benefits (EOB) statements from your health plan after you or a family member have an office, hospital or urgent care visit. Maybe you even have a whole stack of EOBs filed away somewhere.

Now that you’re enrolled in a high-deductible health plan with an HSA, it’s more important than ever to pay attention when an EOB lands in your mailbox. That’s because it provides a summary of how the claim is processed, including the services received, charges the health plan covers, and what you’re responsible for paying either out-of-pocket or through your HSA. When you understand the information on your EOBs, you can take steps to prevent being overcharged for services and be prepared to catch mistakes that may appear in the medical bills you’ll receive later.

While EOBs aren’t bills, they contain important information you need to review and confirm. Each EOB includes the following pieces of information, shown in this sample EOB (link to the sample EOB PDF included with the toolkit).

1. **Subscriber’s Name**: This is the name of the insured. (For example, if you have insurance under an employer plan, it’s the name of the employee who enrolled in the coverage.)
2. **Patient’s Name**: This is the person who received health care services.
3. **Claim Number**: Your health plan provider assigns each claim a unique number. You may need to refer to this number if you call your plan’s Member Services to discuss a claim.
4. **Paid Amount**: The amount paid by your plan.
5. **It Is Your Responsibility to Pay**: This is the amount that you owe your provider (the doctor, hospital, etc.). This can include deductibles, coinsurance and/or copays, amounts over the reasonable charge, and any other charges that are not covered by your plan.
You may receive a separate bill from your provider for these charges.

6. **It Is Not Your Responsibility to Pay:** The amount paid by your plan and any discounts that may apply.

7. **Service Date:** The date the patient received treatment or services.

8. **Type of Service:** The general category of treatment and services received. *This is an area where mistakes commonly occur*, so review this carefully to ensure that your provider billed your plan correctly for the services you actually received.

9. **Total Billed:** A list of all of the charges billed by the provider for each service included in your claim.

10. **Amount Not Allowed:** Any part of the charges that your plan will not pay. This can include charges for services not covered by the plan or amounts over the reasonable charges. You may receive a separate bill from your provider for these charges.

11. **Patient Savings:** The amount the insured saved by using the plan’s in-network providers.

12. **Applied to Deductible:** Shows what part, if any, of the charge that is applied toward the annual deductible. This is important to track because once you reach the deductible, the plan starts paying a portion of future health care costs you incur.

13. **Coinsurance Payment Amount:** The amount you are required to pay for a health care service, apart from any deductibles.

14. **Claims Payment:** The amount paid by your plan for this service.

15. **Member’s Medical Deductible Applied to Date:** The total is the amount to date that has been applied to the patient’s annual deductible.

16. **Detail Message Codes:** These codes follow a dollar amount and identify the reasons for payment, nonpayment or another explanation for a particular charge on the claim.

**Mistakes in your EOB?** Contact Member Services to speak with a customer service representative. (Hint: Having your claim number from the EOB on hand will make this process a lot easier for you.) The representative can help you determine next steps.

**EOBs can help you track your deductible.** This is important because the plan starts paying a portion of your health care costs once you reach the deductible, so you’ll want to confirm when that occurs. You can track the deductible by keeping a running tally based on EOBs you receive. This information is also available on your health plan website.

**Compare the EOB to the medical bills you receive for the service(s) provided.** According to a recent study by The Access Project, eight in ten medical bills have errors in them. Before paying your medical bill(s), compare them to the information on your EOB. If the amount you are billed by the provider(s) doesn’t equal the “It Is Your Responsibility to Pay” amount on the EOB, then you’ll need to do some additional research and contact your health plan or the service provider for direction about how to proceed. In some cases, you may have access to an advocate who can help you navigate this process and will act on your behalf. [Note: *Include last sentence only if this service is available via the health plan or through the employer.*]

Learn more about paying medical bills here. [link to blog post #7]