

# Step-by-Step Guide to Out-of-Network Benefits

When looking for a therapist, you have the option to choose between in-network and out-of-network providers. In-network therapists have negotiated a contracted rate with your health insurance company; as a result, they are typically more affordable than out-of-network therapists.

While finding an in-network therapist is often the default choice, including out-of-network therapists can help expand your therapist search. This is especially true in big cities like NYC and Boston, where therapists who take insurances tend to be booked to full capacity and have long wait times for appointments.

If the therapist you're seeing is not in your insurance network, then you will have to pay the full price of the session upfront. Fortunately, depending on your plan, your insurance company may help reimburse a portion of the cost by mailing you a check. For example, most PPO and POS health plans offer partial reimbursement for out-of-network services.

Use the following steps to learn how out-of-network benefits work. Though navigating out-of-network benefits can be cumbersome, it can save you a lot of money in the long run. Even if you don't fully understand the terms below, having the details upfront can help you figure out how payment works, and prevent any unexpected bills.

## 1. Check your out-of-network benefits

These are typically in the **Summary of Benefits**, included in a member information packet or on your insurance company website. Keep an eye out for these terms:

- **Out-of-network deductible:** This is the amount of money you have to pay *before* you are eligible for reimbursement.

Let's say your out-of-network deductible is \$1,000, and your insurance company pays for 100% of services after you meet that amount. That means

you'll have to pay \$1,000 out of pocket, after which you'll have "met your deductible."

In this scenario, if you spend \$1,500 on therapy services, you'll have to pay \$1,000 out of pocket (e.g. \$100 at each session for 10 sessions), but the remaining \$500 will be reimbursed to you in the form of a check (mailed to you after you submit your claim).

Deductibles reset every calendar year, and *any* health expense you pay out-of-pocket contributes to meeting it.

- **Coinsurance:** This is the percentage of the service fee that you're ultimately responsible for paying.

Let's say your therapist charges \$100 per session. If your coinsurance is 25%, you're only responsible for paying \$25. (Note: You'll need to pay the full \$100 upfront. Your insurance will send you a check for \$75 after the session, once you've met the deductible and submitted a claim.)

Some insurance companies determine an "**allowed amount**," which caps the session fee that they'll cover. If your insurance has determined \$100 is their "allowed amount" per session, at a 25% coinsurance rate, your insurance company will still only reimburse you up to \$75, no matter what the therapist's session fees are.

In other words, if your insurance has an allowed amount of \$100 but your therapist's session fees are \$200 per session, you won't get reimbursed more; you'll still be reimbursed \$75, and will be ultimately responsible for \$125.

## **2. Call your insurance company to verify your benefits**

The best way to be absolutely sure of your benefits is to clarify with your insurance company member services line. You can find this phone number on the back of your insurance card.

Ask these questions when speaking to your insurance company about benefits:

- How much of my deductible has been met this year?
- What is my out-of-network deductible for outpatient mental health? (*Outpatient means treatment outside a hospital.*)

- What is my out-of-network coinsurance for outpatient mental health?
- Do I need a referral from an in-network provider to see someone out-of-network?
- How do I submit claim forms for reimbursement? (*Claims are forms like this that are sent to your insurance company to receive reimbursement for sessions you paid for out of pocket.*)

### **3. Ask your therapist for a Superbill**

When you're looking for a therapist, ask if she or he is willing to submit claims to your insurance company for reimbursement. While some therapists offer this, typically, the client is responsible for submitting claims.

Your therapist will provide you a document called a Superbill that you send directly to your insurance company at the end of each month. The Superbill details how many sessions you've had, and the total fee.

### **4. Receive out-of-network reimbursement!**

You'll need to pay your therapist the entire session fee at the time of service, but depending on your specific plan, your insurance company will mail you a check to reimburse a portion of that cost.

**Note:** Using an app like Better or Reimbursify can help you navigate the reimbursement process in a few clicks!

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