

Explanation of Benefits - Understanding your EOB

What is an Explanation of Benefits? An Explanation of Benefits (EOB) is a form or document that should be sent to you by your insurance company (it can take up to several months) after you had a healthcare service that was paid by the insurance company. You should get an EOB if you have private health insurance, a health plan from your employer, or Medicare. Your EOB gives you information about how an insurance claim from a health provider (such as a doctor or hospital) was paid on your behalf.

Why is your Explanation of Benefits Important? Many doctors' offices, hospitals, and medical billing and insurance companies make billing errors. Such mistakes can have frustrating and potentially serious, long-term financial consequences. Your EOB is a window into your medical billing history. Review it carefully to make sure you actually received the service being billed, the amount your doctor received and your share are correct, and that your diagnosis and procedure are correctly listed and coded.

Frequently Asked Questions

Q. What is a qualified medical expense for an HSA?

A. Beginning in 2011, your Health Savings Account (HSA) may no longer be used for over-the-counter drugs, unless they are prescribed by your doctor. In general, your HSA can be used for:

1. Expenses applied to your health plan deductible
2. Dental care services
3. Vision care services
4. Prescription services
5. Over-the-counter medications prescribed by your doctor
6. Certain medical equipment

(For complete list see IRS Publication 502; which can be found at: <http://www.irs.gov/publications/p502/ar02.html>)

Q. What if the health care provider requires me to pay at the time of my visit?

A. Some providers may require full or partial payment at the time of your visit. Any amount you pay will ultimately count toward the bill generated by the provider. If you overpay for the service, the provider should reimburse you for the amount you overpaid.

Q. Will I be penalized if I use my HSA funds for non-medical related expenses?

A. Prior to age 65, HSA funds used to pay for non-eligible medical expenses are subject to normal income tax and a 20% penalty. After age 65, HSA funds may be withdrawn for non-eligible expenses with no penalty (regular income tax will apply).

Q. Can I pay myself back if I paid out of pocket and not with my HSA funds?

A. HSA funds can be used to reimburse yourself for past medical expenses if the expense was incurred after your HSA was established.

**Have questions regarding your benefits?
Call Bond for assistance!**



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