

UNDERSTANDING YOUR EXPLANATION OF BENEFITS (EOB)

A plain-language guide to reading your insurance paperwork — no confusing jargon!

What Is an Explanation of Benefits (EOB)?

After you visit a doctor, hospital, or other healthcare provider, your insurance company sends you a document called an Explanation of Benefits — or EOB for short. It is NOT a bill. It is a summary that shows you exactly what happened with your insurance claim.

Think of it as a report card of your insurance claim — it shows what was charged, what your insurance paid, what they did NOT pay, and what (if anything) you owe.

EOB vs. Your Medical Bill — What's the Difference?	
EOB (Explanation of Benefits)	Medical Bill from Your Doctor
• Sent by your INSURANCE company	• Sent by your DOCTOR or HOSPITAL
• Shows what insurance paid and did NOT pay	• Shows what YOU owe after insurance
• This is NOT a bill — do not pay based on this alone	• This IS a bill — pay this amount
• Usually arrives 2–4 weeks after your visit	• May arrive at the same time or after the EOB

A Walk Through a Sample EOB — Section by Section

Every insurance company's EOB looks a little different, but they all contain the same basic information. Here is a sample EOB with each section explained in plain English.

EOB Section	What It Says	What It Means in Plain English
Patient Name	John Smith	The person who received the care.
Member / Policy ID	XYZ123456789	Your insurance ID number. Always have this handy when calling your insurer.
Date of Service	03/15/2025	The date you had the appointment, test, or procedure.
Provider Name	Suncare Medical Group	The doctor's office, hospital, or clinic that treated you.
Service Description	Office Visit — Level 3 (CPT 99213)	A description of what service was provided. The CPT code is just a universal billing code for that service.
Amount Billed	\$250.00	The full amount the provider charged for the service before any discounts or insurance payments.

Plan Discount / Adjustment	- \$80.00	A discount your provider agreed to accept because they are in your insurance network. This amount is written off — neither you nor your insurance pays this.
Insurance Paid	\$136.00	The amount your insurance company actually paid toward this service.
Your Deductible Applied	\$0.00	The portion applied to your annual deductible. Once your deductible is met for the year, insurance pays more.
Your Copay / Coinsurance	\$34.00	Your share of the cost. A copay is a flat fee; coinsurance is a percentage (e.g., you pay 20%, insurance pays 80%).
Your Total Responsibility	\$34.00	The amount YOU owe after everything else. This should match your bill from the doctor's office.
Claim Number	CLM-20250315-001	Your unique claim ID. Write this down if you ever need to call your insurance company about this claim.

Key Insurance Words You Will See on Your EOB

These terms show up on almost every EOB. Here is what they actually mean:

Deductible	A set amount you must pay out of your own pocket each year before your insurance starts paying. For example, if your deductible is \$1,000, you pay the first \$1,000 in medical costs each year. After that, your insurance kicks in.
Copay	A flat fee you pay for a specific service — like \$25 every time you visit your regular doctor. This amount is usually the same no matter what.
Coinsurance	A percentage split between you and your insurance after your deductible is met. For example, with 80/20 coinsurance, your insurance pays 80% and you pay 20% of the allowed amount.
Out-of-Pocket Maximum	The most you will ever have to pay in one calendar year. Once you hit this number, your insurance pays 100% of covered services for the rest of the year. This is a very important protection.
Allowed Amount	The maximum amount your insurance has agreed to pay for a specific service. If your doctor charges more than this, the extra amount is usually written off (if they're in-network).
In-Network vs. Out-of-Network	In-network means your doctor has a contract with your insurance, which usually means lower costs for you. Out-of-network means they don't — your costs will usually be higher.
Claim Denial	When your insurance refuses to pay for a service. They must tell you why. You have the right to appeal (challenge) any denial.

**Explanation Code /
Remark Code**

Short codes on the EOB that explain why the insurance paid what they did, or why something was denied. Call your insurance company to ask about any code you don't understand.

What Should You Do When You Get Your EOB?

1. Check Your Personal Information

Make sure your name, date of birth, and insurance ID are correct. A mistake here can cause claim problems.

2. Match It to Your Visit

Make sure the date and type of service match your actual appointment.

3. Compare With Your Bill

When your doctor sends you a bill, the amount you owe should match what the EOB says is your responsibility. If they are different, call us — there may be an error.

4. Check for Denials

Look for the word "Denied" or "Not Covered." If you see this, call our billing office right away. Many denials can be appealed and overturned.

5. Keep Your EOBs

Save your EOBs in a folder for at least 3 years. They are your proof that a claim was filed and processed.

Pro Tip: Always Compare Your EOB and Your Bill

Never pay a medical bill without first receiving your EOB. The EOB tells you exactly what you should owe. If your bill is higher than what the EOB says you owe, that is a red flag. Call our billing team at **(555) 222-4400** before paying — billing errors are more common than most people realize.

Common EOB Problems and What to Do About Them

Problem: Your EOB says you owe more than expected	Solution: Your deductible may not be fully met yet, or you may have seen an out-of-network provider. Call your insurance company to ask for a detailed breakdown.
Problem: A service shows as "Not Covered"	Solution: Your plan may not cover that service, or it may need prior authorization. Contact our billing team — we may be able to submit a corrected claim or appeal.
Problem: The provider name on the EOB is wrong	Solution: Call your insurance company immediately. This could indicate a billing error or a mix-up with another patient.
Problem: You never received an EOB	Solution: Log in to your insurance company's website or app. EOBs are often posted online. You can also call them to request one by mail.
Problem: You disagree with a denial	Solution: You have the right to appeal. Ask us or your insurance company for the appeals process. Deadlines to appeal are usually 60–180 days from the denial date.

Still Have Questions? We Are Here to Help!

Our billing team is friendly, patient, and happy to walk you through your EOB line by line. You should never feel confused or alone when dealing with your medical bills.

■ Call Us (555) 222-4400 Mon–Fri, 8 AM–5 PM	✉ Email Us billing@suncaremedical.com We reply within 1 business day	■ Patient Portal www.suncaremedical.com View EOBs, pay bills, ask questions
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