



Takoma Therapy

Understanding Your Insurance: How Takoma Therapy Works With Your Plan

Understanding your options. Easing the process.

We know that taking the first step toward therapy is a big decision, and understanding your insurance coverage shouldn't stand in the way of getting the support you need. While insurance can help make therapy more affordable, coverage depends on factors like whether a provider is in-network or out-of-network, your deductible, and your co-insurance rates.

At Takoma Therapy, we accept some in-network insurance plans and also provide documentation for out-of-network reimbursement. We know insurance can be confusing. Honestly, we get muddled sometimes too. While many plans follow the same general structure, the truth is that every plan is different. What's covered for one person might look totally different for someone else, even if they're using the same insurance company.

That's why we encourage you to check directly with your provider before starting therapy. We'll do our best to help you understand how it all works, and we'll support you with the paperwork and information you need to make the process a little less stressful. The most important thing is that you feel confident moving forward and can focus on what really matters: your well-being.

Key Insurance Terms

- **Provider** - A healthcare professional who offers medical or behavioral health services, including doctors, therapists, psychologists, psychiatrists, and other licensed professionals.
- **In-Network:** Providers who have contracted agreements with your insurance company. This agreement means your insurance covers a larger portion of the cost, and you typically pay less out-of-pocket (i.e., yourself).
- **Out-of-Network:** Providers who do not have a contract with your insurance company. However, some plans will still reimburse a portion of out-of-network expenses depending on your insurance.
- **Deductible:** The amount you must pay out-of-pocket before your insurance starts covering expenses.
- **Co-payment (Co-pay):** A fixed amount you pay for a covered healthcare service (e.g., \$30 for a therapy session).
- **Co-insurance:** The percentage of costs you share with your insurance company after meeting your deductible (e.g., 20% co-insurance means you pay 20% of the bill, and insurance covers 80%). Not everyone has co-insurance, so you need to check your plan.
- **Benefits:** The specific healthcare services that your insurance covers, which may include therapy sessions, medical visits, prescriptions, and other services. Benefits may be different for in-network and out-of-network providers, so it's important to check your plan details.

In-Network Insurance

All of our therapists are in-network with CareFirst/Blue Cross Blue Shield (BCBS). Several of our therapists are also in-network with Cigna, but most are not.

For in-network appointments, we will bill your insurance company directly following your session with us. Once processed, your insurance will cover its portion of the cost, and you are responsible for deductibles, co-insurance, or copayments.

Even with in-network coverage, you may still have out-of-pocket costs, including co-pays and deductibles, which you will be responsible for paying. Insurance companies typically only cover therapy that is considered a “medical necessity,” meaning we are required to conduct a mental health assessment and provide a DSM-5 diagnosis.

Example of a Co-Payment for In-Network Therapy

- Let's say your insurance plan includes:
- A \$25 co-pay per therapy session
- No deductible required for therapy services

Scenario: You attend therapy once a week.

- Your therapist's full fee is \$175
- CareFirst has an agreed-upon rate with us that is much lower than the full fee (we are not allowed to disclose this fee on a public website)
- You only pay the \$25 co-pay
- Insurance covers the remaining portion

Because co-pays are fixed, you will always pay \$25 per session regardless of how many sessions you attend. If you go to therapy four times a month, your total out-of-pocket cost is \$100.

Example of a Co-Payment and Deductible for In-Network Therapy

Let's say your insurance plan includes:

- A \$1,000 deductible
- A \$30 co-pay per therapy session
- CareFirst requires you to pay the full *allowed amount* until your deductible is met

Scenario: You begin therapy with a Takoma Therapy clinician.

- The full session fee is \$175
- CareFirst's allowed rate is lower than the full fee
- Until your deductible is met, you pay the allowed rate per session

To meet your \$1,000 deductible, it would take approximately 10 sessions

After your deductible is met:

- You now pay the \$30 co-pay per session
- Insurance covers the rest of the allowed amount

Summary:

- You pay the *allowed amount* per session for the first 10 sessions
- After your deductible is met, your cost drops to \$30 per session

Out-of-Network Insurance

If your insurance provider is not CareFirst/BCBS or Cigna, you may still have out-of-network benefits that allow you to receive reimbursement for therapy. Some Insurance plans include out-of-network benefits, allowing you to see providers not in their network. Reimbursement means your insurance provider pays you back for a portion of your session costs. Not all plans offer this, so it's important to check with your insurance provider.

To be eligible for reimbursement, therapy must be considered a “medical necessity” by your insurance company. This means we are required to conduct a mental health assessment and provide a DSM-5 diagnosis. If you decide not to submit for reimbursement through your insurance company then no diagnosis is necessary.

You will be required to pay for each session upfront and then submit a claim to your insurance for reimbursement. To do this, at the end of each month, we will provide you with a SuperBill (an itemized invoice), which you can submit to your insurance company. The amount you get reimbursed depends on your specific out-of-network benefits.

If you have out-of-network insurance, we strongly recommend checking with your insurance provider to understand what out-of-network benefits are included in your plan before scheduling a session with one of our therapists.

If your therapist is out-of-network with Cigna, Takoma Therapy will handle the billing process on your behalf, so you usually do not have to send in any additional paperwork to your insurance company.

If your insurance plan doesn't include out-of-network benefits, you will be responsible for paying the full cost of sessions out-of-pocket.

Questions to Ask Your Insurance Provider About Out-of-Network Coverage:

- *Do I have out-of-network behavioral health benefits?*
- *What percentage of my session fee will be reimbursed?*
- *Do I have an out-of-network deductible? How much is it?*
- *What is the process for submitting out-of-network claims?*
- *How long does it take to receive reimbursement?*

These questions will help you plan for any out-of-pocket costs before starting therapy. If your insurance company requests additional information, including CPT codes (the standardized codes used for billing therapy sessions), let us know, we're happy to assist you. The main CPT codes we use are 90837, 90834, and 90791.

Example of Out-of-Network Therapy Costs and Reimbursement

Some insurance plans offer out-of-network benefits, meaning they reimburse you for part of the

session cost after you meet your out-of-network deductible. If your plan includes this benefit, here's how it works:

Let's Say Your Insurance Plan Includes:

- An out-of-network deductible of \$2,000
- Reimbursement rate after deductible is met: 60% (meaning your insurance pays 60% of the session fee after your deductible is met)
- Each therapy session costs \$175 (out-of-network fee)

Step 1: Paying Your Deductible

- Before insurance helps, you pay the full \$175 session fee until you reach your \$2,000 deductible.
- To calculate how many sessions this takes: $\$2,000 \div \$175 \text{ per session} \approx 12 \text{ sessions}$
- So, you pay the full \$175 for the first 12 sessions.
- You must then submit a claim so the insurance knows you've paid out-of-pocket and how much. Every month Simple Practice automatically generates "Super Bills" which is an itemized receipt of services received.

Step 2: After Meeting Your Deductible

- You must continue paying \$175 per session upfront, but once you submit a claim, your insurance will reimburse you \$105 per session.
- After meeting your deductible, your insurance will reimburse you 60% of each session cost.
- After submitting a claim to your insurance, your insurance sends you back \$105 per session (60% of \$175).
- Your final out-of-pocket cost per session is \$70 per session instead of \$175.

Understanding Out-of-Pocket Costs in Insurance

In health insurance, out-of-pocket costs refer to **any** expenses you pay yourself for healthcare services that are not fully covered by your insurance plan. These costs include co-pays, deductibles, and co-insurance, as well as any services that are not covered by your insurance at all.

A deductible is just one type of out-of-pocket cost. It is the amount you must pay upfront before your insurance starts covering certain services. However, even after you meet your deductible, you may still have additional out-of-pocket costs, such as co-insurance (your share of costs after the deductible) and co-pays (fixed fees for services like doctor visits or therapy sessions).

For example, if your insurance plan has a \$1,000 deductible, **you must pay that amount first before insurance starts covering a percentage of your care**. But if your plan also has 20% coinsurance, you will still need to pay 20% of each bill after the deductible is met. Additionally, co-pays tend to be a flat rate, such as a \$30 fee per therapy session, and are also considered out-of-pocket expenses.

It's important to check your insurance plan details to understand your total out-of-pocket responsibility, which may include an out-of-pocket maximum—the highest amount you'll have to pay in a plan year before insurance covers 100% of covered services.

To further illustrate how things work, here are some examples:

Example of a Deductible for Out of Network Therapy

Let's say your insurance plan includes:

1. A \$1,500 annual deductible
2. A 20% coinsurance rate that applies after your deductible is met
3. Each therapy session costs \$175

Scenario: You start therapy and attend sessions

First Sessions - before meeting deductible

- You pay the full \$175 per session until you reach \$1,500.
- To calculate how many sessions it would take to reach your deductible:
 - $\$1,500 \div \$175 \text{ per session} \approx 9\text{-}14$ sessions (this varies depending on the "allowed amount" per session for your insurance company)

After 9-14 sessions, your deductible is met:

- Your deductible is now satisfied, but your plan still requires you to pay 20% of each session due to your coinsurance.
- At this point, your insurance begins covering a portion of your session cost based on your co-insurance rate.

- For example, if your plan includes a 20% co-insurance rate, you would now pay 20% of \$175 (\$35 per session), while your insurance covers the remaining 80% up to the “allowed” amount which varies by your plan (\$88 - \$140 per session).

Mentaya

If you're paying out of pocket for therapy and have out-of-network benefits, [Mentaya](#) is a platform that helps you get reimbursed by your insurance. It checks your out-of-network coverage, submits claims on your behalf, and tracks their status, making it easier to receive money back for your sessions. Learn more at mentaya.com.

Using an HSA or FSA for Therapy Costs

Many employers offer HSA (Health Savings Account) or FSA (Flexible Spending Account) accounts, but individuals may also set them up depending on their insurance plan. If you have an HSA or FSA, you may be able to use these funds to pay for therapy, whether you are using in-network or out-of-network services. These accounts allow you to use pre-tax dollars to cover eligible healthcare expenses, including co-pays, deductibles, co-insurance, and out-of-pocket payments for therapy. Both accounts can help lower out-of-pocket costs for medical and mental health services.

If you have in-network insurance, you can use your HSA or FSA to pay for any required co-pays, deductibles, or co-insurance amounts. If you are using out-of-network benefits and paying for sessions upfront, you may also be able to use your HSA or FSA funds to cover the cost before seeking reimbursement from your insurance company. Some HSA and FSA providers offer debit cards that can be used directly for payment, while others require you to pay out-of-pocket first and submit receipts for reimbursement.

We recommend checking with your HSA or FSA provider to confirm that therapy is an eligible expense under your plan. Takoma Therapy is listed as a healthcare provider and can accept most HSA/FSA payment cards. If you need documentation, such as a SuperBill or invoice, we are happy to provide it to assist with your reimbursement process.

Final Thoughts & Support

Navigating insurance can feel overwhelming, but we're here to help. Whether you're using in-network coverage or seeking out-of-network reimbursement, understanding your benefits will allow you to make informed decisions about your care.

If you are using insurance, it is your responsibility to check your plan details and understand the limits of your coverage. While we verify insurance as a courtesy, we cannot guarantee the accuracy of the information provided by your insurer. Insurance policies and coverage details can change, and sometimes the information we receive differs from what you are given. If any issues arise with claims, we will work with you to resolve them as quickly as possible.

Additionally, please notify us of any changes to your insurance plan. If you do not inform us and your new policy does not cover services, you will be responsible for the full payment.

We encourage you to check with your insurance provider to clarify your coverage and out-of-pocket costs before starting therapy. Should your insurance deny coverage, you will be responsible for the full cost of your sessions.

If you have questions about coverage, billing, or getting started, our intake team is here to guide you.

- **Email:** intake@takomatherapy.com
- **Phone:** (301) 563-9156

Next step:

Reach out today to schedule your first session or to clarify your insurance coverage. We are here to help!

Takoma Therapy is a group practice in Takoma Park, also serving clients from Silver Spring and Washington, DC, who want to use insurance for therapy.