

Reasonable & Customary Charges

What are Reasonable and Customary Charges (R&C)?

R&C charges (if specified in your SOB) refer to the average price of a particular treatment across the Network Providers for a specific plan. Daman applies R&C rates to claims incurred out of the plan's Network Providers as high non-network prices impact the policy's performance.

The below table is an illustration for a case where 20% co-insurance applies for all services covered by a Non-Network Provider: Example - R&C: Consider that a cost for a particular surgery is AED 1000 at a Network hospital.

	Paid amount	After applying 20% co-insurance	Maximum reimbursed claim payable to the member
R&C: For a particular surgery within your Network	AED 1000	AED 800	AED 800 (Lower of R&C or Actuals after applying applicable co-insurance)
Scenario 1: Claimed Amount (Amount charged by Non-Network Provider higher than R&C rate)	AED 1500	AED 1200	
Scenario 2: Claimed Amount (Amount charged by Non-Network Provider lower than R&C rate)	AED 500	AED 400	AED 400 (Lower of R&C or Actuals after applying applicable co-insurance)