

Dear [Customer's Name],

We hope this message finds you well. We would like to explain the concept of deductibles as it relates to your insurance policy.

A deductible is the amount you pay out-of-pocket before your insurance coverage kicks in. For example, if your policy has a deductible of \$500, you will need to pay this amount for covered services before your insurer will pay for the remaining costs.

Understanding your deductible can help you manage your budget and expectations when it comes to claims. Here are some key points to remember:

- Deductibles are typically reset annually.
- Some services may be exempt from the deductible or have different deductible amounts.
- Your premium and deductible are usually inversely related; lower premiums often mean higher deductibles, and vice-versa.

If you have any questions or need further clarification regarding your deductible or any other aspect of your insurance policy, please do not hesitate to contact us.

Thank you for choosing [Insurance Company Name].

Sincerely,
[Your Name]
[Your Position]
[Insurance Company Name]
[Contact Information]