

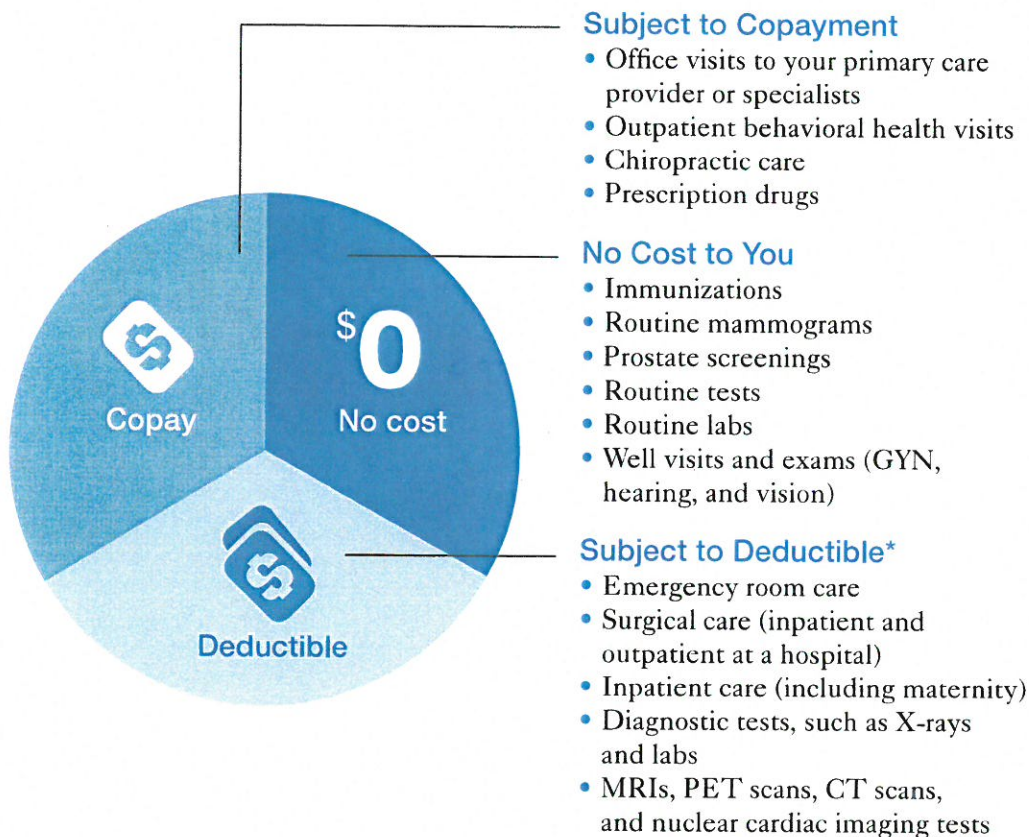
Understanding Your Deductible Health Plan



MASSACHUSETTS

How to Know When Copayments or Deductibles Apply, and When There's No Cost to You

It's important that as a member, you're fully aware of what you're being charged for and when you may need to pay a copayment, a deductible, or both. The pie chart below details when a deductible is owed, when a copayment is required, and when you don't have to make an out-of-pocket payment in order to receive care.



Copayment: A fixed dollar amount you pay each time you use a particular medical service or fill a prescription. Copayments are usually due at the time you have an office visit or fill a prescription.

Deductible: The amount you pay for medical expenses each plan year before Blue Cross Blue Shield of Massachusetts begins to pay. For example, if your deductible is \$500, you'll pay that amount out-of-pocket before your health plan will cover any eligible services.

Out-of-Pocket Maximum: The most you pay each plan year for covered health expenses before Blue Cross pays 100 percent of covered expenses for the rest of that year. The money you pay for your copayments, deductible, co-insurance, and prescriptions counts toward your medical or pharmacy out-of-pocket maximum.

Emergency Care: Care provided for an accident or sudden illness that an ordinary layperson believes needs to be treated right away or it could result in loss of life, serious medical complications, or permanent disability.

Urgent Care: Treatment for a medical condition that, while not an emergency, requires attention. Examples of urgent care needs include ear infections, sprains, high fevers, vomiting, and urinary tract infections.

Primary Care Provider: A health care provider, usually a general practitioner, internist, or pediatrician, who provides a broad range of routine medical services and refers patients to specialists, hospitals, and other providers as necessary.

For more information on your health plan, including copayment and deductible amounts, please visit bluecrossma.com/myblue.

*Some deductible services may also have a copay after the deductible is met.

Blue Cross Blue Shield of Massachusetts complies with applicable federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, sex, sexual orientation, or gender identity.

ATTENTION: If you don't speak English, language assistance services, free of charge, are available to you. Call Member Service at the number on your ID Card (TTY: 711).

ATENCIÓN: Si habla español, tiene a su disposición servicios gratuitos de asistencia con el idioma. Llame al número de Servicio al Cliente que figura en su tarjeta de identificación (TTY: 711).

ATENÇÃO: Se fala português, são-lhe disponibilizados gratuitamente serviços de assistência de idiomas. Telefone para os Serviços aos Membros, através do número no seu cartão ID (TTY: 711).

DEDUCTIBLES

Making them as easy as 1, 2, 3

What is a deductible?

A deductible is a specific payment made toward the cost of a claim. In the case of health insurance, your deductible is a set dollar amount that you must pay out of your pocket before your health insurance provider will pay for certain medical services.

What services are subject to a deductible?

If you receive a preventive service, you will not have to pay a deductible. A preventive service is something you have done routinely or regularly to prevent illness, such as getting a flu shot or seeing your doctor for your annual physical. For these types of services, you won't pay a deductible, but may have to pay a copayment or coinsurance.

However, if you receive diagnostic services or treatments – in most cases- you will have to pay a deductible. Diagnostic services and treatments diagnose conditions and treat or monitor illnesses. For example, if you have diabetes and receive a quarterly checkup for blood work, **that's a diagnostic** service. Diagnostic services are sometimes performed during routine annual exams. You should talk to your doctor about all services being done-so you aren't surprised by any charges

Did you know? Coinsurance is an amount you, the insured, may be required to pay as your share of the cost for services after you pay any deductibles. Coinsurance is usually a percentage of the total medical bill. For example, your plan may require you to pay 20% coinsurance on Durable Medical Equipment. If the medical equipment cost \$80 you would be responsible to pay \$16, which is equal to 20% of the retail price. If you pay coinsurance, you usually do not have to pay a copayment.

How does a deductible work?

When you have a deductible as part of your health insurance coverage, **you will have to pay for certain medical services until you reach, or satisfy, the total amount of your deductible.** For example, you may have a deductible of \$500. If you have surgery and the bill for that procedure and hospital stay is \$8,000, in most cases you will only be responsible for paying \$500 of that medical bill, plus any copayment or coinsurance fees that may apply.

Cost of surgery and hospital stay	\$8,000
you pay your deductible	\$ 500
you pay your copay	\$ 275
Blue Cross Blue Shield pays	\$7,225

Now let's say you have to go in for another surgery the following month. Since you have already "satisfied" your \$500 deductible, you are no longer responsible to pay deductible charges for that year (July – June). However, you will most likely have other out-of-pocket costs, such as a copayment or coinsurance.

When you will be expected to pay for services:

After you receive a medical service, Blue Cross Blue Shield will send you a Health Benefits Statement or Explanation of Benefits (EOB). This statement lists the medical services that were provided to you alongside the dollar amounts that have been paid by your Blue Cross Blue Shield and the dollar amounts-if any-that you may owe.

For most services, the provider of your medical services will bill Blue Cross Blue Shield directly. Blue Cross Blue Shield will then determine if your deductible has been satisfied. If your deductible has been satisfied, Blue Cross Blue Shield will pay for the service, minus any copayment or coinsurance you are required to cover. If the deductible has not yet been satisfied, you are responsible to pay for services received – this is your contribution toward the deductible. This information will be provided to you on your Health Benefits Statement or EOB.

If you do owe money for services, the provider of your medical services will send you a bill for this amount, less any copayment or coinsurance you may have paid, and **you pay that provider directly.**

Example of how a deductible plan could apply to different services:

John hurt his elbow playing golf. He goes to the emergency room, where x-rays are taken. John is sent home with a prescription for a generic pain medication. He then has a follow-up appointment with his primary care provider. He sends him home with a clean bill of health. John has a \$500 deductible as part of his Blue Cross Blue Shield plan. He also has a \$20 copayment for office visit and \$10 copayment for generic prescription drugs. John has not paid anything toward his deductible for this plan year. Here is an example of what costs John may be responsible for with his current health insurance plan.

Services and types of payment required

Emergency room visit:	Deductible, then copayment
X-ray:	Deductible only
Prescription:	Copayment only
Doctor:	Copayment only

Services and actual costs

ER visit and X-ray cost:	\$1,200
John owes:	\$ 500 (toward deductible)
	\$ 75 (copayment for ER)
Prescription costs	\$ 60
John owes:	\$ 10 (copayment)
Office visit cost:	\$ 160
John owes:	\$ 20 (copayment)

John has satisfied his yearly deductible of \$500. For the remainder of his plan year, John will only have to pay copayments for covered medical services and prescriptions.

Tip:

Keep your statements – Blue Cross Blue Shield will provide you with statements to show how your medical services have been paid. These statements show the amount billed for medical services, the amount-if any- that you are responsible for, how much you have paid and how much has been paid by your health insurance. Hold on to your statements to help keep track of what you have paid toward your deductible, and to serve as proof of payment.