

Understanding State Health Plan PPO Costs

Example of Deductibles, Co-Insurance, and Out-of-Pocket Max

(All examples are in-network services.)



Example 1: Total Cost of an X-Ray

A State employee and her family are enrolled in the State Health Plan PPO. When the plan year started in October, the employee received an X-ray. According to the plan, this is an after-deductible service with a co-insurance of 10%. What would she pay for this service?

Employee Cost

\$400 - Annual Individual Deductible + **10%** Co-Insurance

Plan Cost

90% of the remaining cost after the annual individual deductible is met.

Note: If an employee's spouse or dependent never receive deductible-applicable services during the plan year, only the individual deductible of \$400 would need to be met. The same is true if a dependent or spouse seeks deductible-applicable services and the employee does not; only the individual deductible would apply.



Example 2: Total Cost of a Surgery

The same State employee's spouse needed surgery shortly after. According to the plan, surgery (in-network) is an after-deductible service with a co-insurance of 10%. What would they pay for this service?

Employee Cost

\$800 - Annual Family Deductible + **10%** Co-Insurance

Plan Cost

90% of the remaining cost after the annual individual deductible is met.

Note: If a spouse (or dependent) was the only individual to receive deductible-applicable services during the plan year, only the annual individual deductible of \$400 would need to be met. In this case, since both the employee and spouse received deductible-applicable services, the entire \$800 family deductible would need to be met before the plan paid for the spouse's surgery.



Example 3: Total Cost of a Surgery

During the plan year, the same State employee has paid the \$2,000 out-of-pocket annual maximum for her **individual** deductibles, co-insurance, and prescription copays and now needs a surgery. What would she pay for this service?

Employee Cost

\$0

Plan Cost

100% The plan will pay the total approved amount for this surgery as she paid the annual maximum amount for out-of-pocket expenses for the plan year.

How Do HMO Costs Work?

Example of Deductibles and Out-of-Pocket Max

(All examples are in-network services. HMOs do not carry co-insurance.)



Example 1: Total Cost of an X-Ray

A State employee and her family are enrolled in an HMO. When the plan year started in October, the employee received an X-ray (in-network). According to the plan, this is an after-deductible service. What would she pay for this service?

Employee Cost

\$125

Annual Individual Deductible

Plan Cost

100% of the remaining cost after the annual individual deductible is met.

Note: If the employee's spouse or dependents never receive deductible-applicable services during the plan year, only the individual deductible of \$125 would need to be met. The same is true if a dependent or spouse seeks deductible-applicable services and the employee does not; only the individual annual deductible would apply.



Example 2: Total Cost of a Surgery

The same State employee's spouse needed surgery shortly after. According to the plan, surgery (in-network) is an after-deductible service. What would they pay for this service?

Employee Cost

\$250

Annual Family Deductible

Plan Cost

100% of the remaining cost after the annual family deductible is met.

Note: If a spouse (or dependent) was the only individual to receive deductible-applicable services during the plan year, only the annual individual deductible of \$125 would need to be met. In this case, as both the employee and spouse received deductible-applicable services, the entire \$250 annual family deductible would need to be met before the plan paid for services.



Example 3: Total Cost of a Surgery

During the plan year, the same State employee has paid the \$2,000 out-of-pocket annual maximum for her **individual** deductibles and prescription copays and now needs a surgery. What would she pay for this service?

Employee Cost

\$0

Plan Cost

100% The plan will pay the total approved amount for this surgery as she paid the annual maximum amount for out-of-pocket expenses for the plan year.