

Understanding BOE Part 1 Deductible Costs

Health Maintenance Organization (HMO) Deductible Example:

Jacob receives in-network services on November 18, 2020 for a benefit that is covered 100% after deductible (e.g., ambulance services, x-rays, MRI, etc.). The provider submits a claim to the HMO carrier for an allowed amount of \$550. As a result of the in-deductible deductible waiver for the BOE Part 1 coverage period, the HMO carrier will issue payment to the provider for 100% of the allowed charges (\$550) and Jacob's in-network member cost share will be \$0.

Jacob receives the same in-network services again on February 18, 2021. The provider submits a claim to the HMO carrier for an allowed amount of \$550. Because the HMO in-network deductible (\$125 per individual/\$250 per family) is in effect for the BOE Part 2 coverage period, the HMO carrier will issue payment to the provider for \$425 and the provider will send a bill to Jacob for his member cost share of \$125.

State Health Plan PPO Deductible Example:

Jacob receives in-network services on November 18, 2020 for a benefit that is covered 90% after deductible (e.g., ambulance services, x-rays, MRI, etc.). The provider submits a claim to BCBSM for an allowed amount of \$550. BCBSM verifies that Jacob's in-network deductible accrual for the coverage period is currently \$0. BCBSM will subtract the deductible (\$400) from the allowed amount and send payment to the provider for 90% of the remaining balance (\$135). The provider will send a bill to Jacob for his in-network member cost share of \$415 (deductible + 10% co-insurance).

Jacob receives the same in-network services on February 18, 2021. The provider submits a claim to BCBSM for an allowed amount of \$550. BCBSM verifies that Jacob's current in-network deductible accrual for the coverage period is \$400 due to the services received on November 18, 2020 and 4th quarter carryover. BCBSM will send payment to the provider for 90% of the allowed amount (\$495). The provider will send a bill to Jacob for his member cost share of \$55.