

What is a deductible?

A deductible is a specific dollar amount that your plan may require you to pay out-of-pocket each year before your plan begins to make payments for claims such as hospital care and MRIs.

\$250 Deductible scenarios:

- Employee with family coverage.** The employee and spouse have a baby. The delivery of the baby and the associated hospital stay would meet the \$250 deductible for the mother only (assuming the baby is discharged at the same time as the mother). A second family member has an MRI in the same plan year and would meet his/her \$250 deductible. At this point, the family will have met the \$500 maximum out-of-pocket deductible cost for the plan year and there would be no more additional charges incurred in order to meet the deductible. Non-deductible charges would still apply.
- Employee has single coverage.** They go to their physician for a routine visit. This would not normally be applied toward the deductible. However, if they had a small procedure done, like a mole removed, it could be a claim that is applied toward the deductible and thus they would have to pay more than the co-pay. If they went later to have a MRI, then that also would apply to the deductible. If they went to the ER during the plan year but were not admitted, they would pay the \$300 ER copay but it would not apply to the deductible.

Limits on Deductibles for Dependents

When one person in a family reaches the deductible amount, they will not have to pay any more deductibles. When the total for the family reaches twice the deductible amount, that family doesn't have to pay any more deductibles.



About 1/3 of employees would pay all or part of the deductible (based on last years usage)

Definitions

Care gap: when a person with a specific diagnosis does not have a claim paid for an expected service. More care gaps=higher potential costs in the future.

Case Management: A collaborative process that helps identify employees with chronic health conditions or needs, and helps coordinate plans of care that are consistent with goals and preferences of employees.

Coinsurance: Percentage of payment you are required to make after you've satisfied your deductible required by the plan.

Copay: Set dollar amount you are required to pay for a specific medical service (Ex.: office visit, prescription, ER visit).

Deductible: A specific dollar amount that your plan may require you to pay out-of-pocket each year before your plan begins to make payments for claims such as hospital care and MRIs, etc.

Comparison with other local municipalities

	Deductible	Coinsurance	Out-of-Pocket (Single)	Out-of-Pocket (Family)	Copay (Primary Care/ Specialist)	Pharmacy Copay
Town of Chapel Hill	0	N	\$3,000	\$6,000	\$20/40	\$10/25/40
OWASA	\$750	N	\$1,750	\$3,000	\$15/30	\$10/35/50
Orange County	\$500	Y	\$1,500	\$4,500	\$20/40	\$4/25/45
Town of Apex	\$1,000	Y	\$3,000	\$6,000	\$20/40	\$10/25/40
Town of Carrboro	\$500	Y	\$1,500	\$3,000	\$10/20	\$10/25/40
Town of Cary	\$500	Y	\$3,500	\$7,000	\$25/50	\$0/25/50
County of Granville	\$1,500	Y	\$3,500	\$7,000	\$25/50	\$10/45/60
Town of Hillsborough	\$500	Y	\$2,750	\$5,500	\$25/50	\$10/35/60
Town of Holly Springs	\$1,750	Y	\$4,750	\$9,500	\$25/50	\$10/45/60
Town of Knightdale	\$1,500	Y	\$5,500	\$11,000	\$25/50	\$10/45/60
Town of Morrisville	\$500	N	\$1,500	\$3,000	\$20/40	\$10/40/55