Annual Out-of pocket vs. Plan Out-of-pocket

You will notice the PPO Plan lists different figures for Annual Out-of pocket vs. Plan Out-of-pocket Maximum for qualified* medical expenses. So what do these numbers mean? First, here’s some background about how the PPO plan works.

You pay for some of your medical expenses with a flat dollar “co-payment.” Examples of these are doctor’s visits and most prescriptions. For other medical services such as X-rays, lab tests, hospital stays, the plan pays 90% of covered expenses and you pay 10%. This cost sharing arrangement is called co-insurance.

Think of this as two “buckets” of medical expenses. The first bucket contains the Annual (2016) Out of pocket expenses and includes:

- Deductible ($100 employee only plan/$200 two or more on plan**)
- 10%’s of all Co-insurance that you pay

= $1100 employee only plan or $2200 for 2 or more on plan

When you have paid $1100 out of your pocket for a single plan (or $2200 for two or more on plan), Anthem pays 100% of all covered services for the remainder of the calendar year which require a co-insurance cost share. You no longer have to pay 10% for covered services.

Choose Well

Questions?
Please contact HROneStop@uc.edu
513-556-6381
uc.edu/hr/benefits
So happens with the ‘flat dollar’ co-pays for Rxs and Dr. visits? You still continue to pay these. They gather into bucket two, along with the expenses above. So in bucket #2 you have the Plan Out-of-Pocket Expenses (for the calendar year):

Everything from bucket #1 above ($1100 or $2200)
  + Dr. co-pays
  + Rx co-pays

= $6600 employee only plan/$13,700 for two or more on plan (maximum you will pay for the calendar year.)

When you have paid $6600 in all expenses for the calendar year (or $13,700 two or more on plan) Anthem will pay for 100% of ALL remaining qualified medical expenses for the rest of the year. Anthem will track this for you so that you don’t have to. ☺

*Qualified medical expenses are those medical/pharmacy expenses included in the plan.
**One family member must meet the single figures then the other family members “pool” their expenses to meet the double/family numbers.