



# UNDERSTANDING YOUR PLAN DEDUCTIBLE & OUT-OF-POCKET MAXIMUM

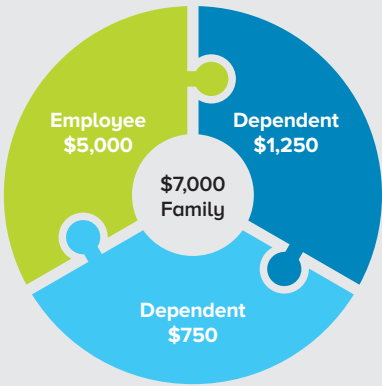
When you cover any family members under your medical plan, your annual deductible and out-of-pocket maximum (OOPM) may be applied differently, depending on your plan.

## Aggregate Deductible / OOPM *(also collective or non-embedded)*

- All covered family members work together to meet the family deductible/OOPM
- With family coverage, the individual deductible/OOPM no longer applies
- Once any combination of family members meets the family deductible, the plan's benefits will begin to pay for all family members for the rest of the plan year
- Similarly, once any combination of family members meets the family OOPM, the plan will cover 100% of services for all family members for the rest of the plan year

### Example:

- Plan deductible: \$3,500 individual / \$7,000 family
- The employee has a medical expense of \$5,000; the family deductible is not met (even though the amount is greater than the individual deductible)
- A dependent has a medical expense of \$1,250; \$6,250 has been applied to the deductible so far
- Another dependent has a medical expense of \$750; the deductible is now met and the plan will start paying benefits for all family members



## Embedded Deductible / OOPM *(also non-collective or non-aggregate)*

- Each covered family member meets their own individual deductible/OOPM
- Once any one family member meets the individual deductible, the plan's benefits will begin to pay for that member
- Other family members will still have to meet their individual deductibles until the family deductible has been met; if the family deductible has been met by any combination of family members, the plan's benefits will pay for all family members for the rest of the plan year
- Similarly, once any one family member meets the individual OOPM, the plan will cover 100% of services for that member; once the family OOPM is met by any combination of family members, the plan will cover 100% for all members for the rest of the year

### Example:

- Plan deductible: \$3,500 individual / \$7,000 family
- The employee has a medical expense of \$3,500; the individual deductible is met and the plan will start paying benefits for the employee only
- A dependent has a medical expense of \$3,500; both their individual and the family deductible have been met
- The plan will start paying benefits for any/all additional covered dependents for the rest of the plan year

