



Out-of-pocket cost examples for non-Medicare retirees

Here are four examples of how out-of-pocket costs work for non-Medicare retirees enrolled in the State Health Plan.

Please note: Charges and approved amounts are examples only, and assume use of a participating provider.

Example 1

A member goes in for an office visit. With the State Health Plan, office visits have a \$20 copay, and are not affected by your deductible.

\$100.00 Total office visit charge

- Office visit amount billed to Blue Cross Blue Shield of Michigan as primary insurance.

\$76.38 Blue Cross Approved Amount

- Blue Cross would not pay more than the maximum approved amount for this office visit, and the provider has agreed to accept this approved amount as full payment.

\$56.38 Blue Cross Payment

- Blue Cross pays 100% of the approved amount, minus the \$20 copay.

\$20.00 Member's Responsibility

- The remaining amount is the \$20 copay for the office visit.
- This copay is applied toward the annual out-of-pocket maximum.

Example 2

A member is having surgery. The State Health Plan covers surgery at 90% with a 10% coinsurance. The member has not satisfied their \$400 deductible.

\$900.00 Charge from Surgery

- Surgery amount billed to Blue Cross as primary insurance.

\$747.32 Blue Cross Approved Amount

- Blue Cross would not pay more than this maximum approved amount for the surgery, and the provider has agreed to accept this approved amount as full payment.

\$312.59 Blue Cross Payment

- Blue Cross pays 90% of the approved amount, minus the member's \$400 annual deductible.

\$434.73 Member's responsibility (Deductible and coinsurance)

- This surgery is subject to the annual \$400 deductible.
- The remaining 10% (\$34.73) is considered the coinsurance for this surgery.
- The deductible and coinsurance is applied toward the annual out of pocket maximum.



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Example 3

Another member is having surgery. The State Health Plan covers surgery at 90% with a 10% coinsurance. This member satisfied their \$400 deductible, but has not reached the \$2000 out-of-pocket maximum.

\$900.00 Charge from Surgery

- Surgery amount billed to Blue Cross as primary insurance.

\$747.32 Blue Cross Approved Amount

- Blue Cross would not pay more than the maximum approved amount for this surgery, and the provider has agreed to accept this approved amount as full payment.

\$672.59 Blue Cross Payment

- Blue Cross pays 90% of the approved amount.

\$74.73 Member's Responsibility

- The remaining 10% is considered the coinsurance for this surgery.

Example 4

Another member is having surgery. The State Health Plan covers surgery at 90% with a 10% coinsurance, like in the other two examples. This member satisfied their \$400 deductible, and has also reached the \$2000 out-of-pocket maximum.

\$900.00 Charge from Surgery

- Surgery amount billed to Blue Cross as primary insurance.

\$747.32 Blue Cross Approved Amount

- Blue Cross would not pay more than this maximum approved amount for this surgery, and the provider has agreed to accept this approved amount as full payment.

\$672.59 Blue Cross Payment

- Blue Cross pays 90% of the amount.

\$74.73 Blue Cross Payment

- Since the member reached the \$2,000 annual out-of-pocket maximum, the remaining cost for the surgery will be covered at no cost to them.

