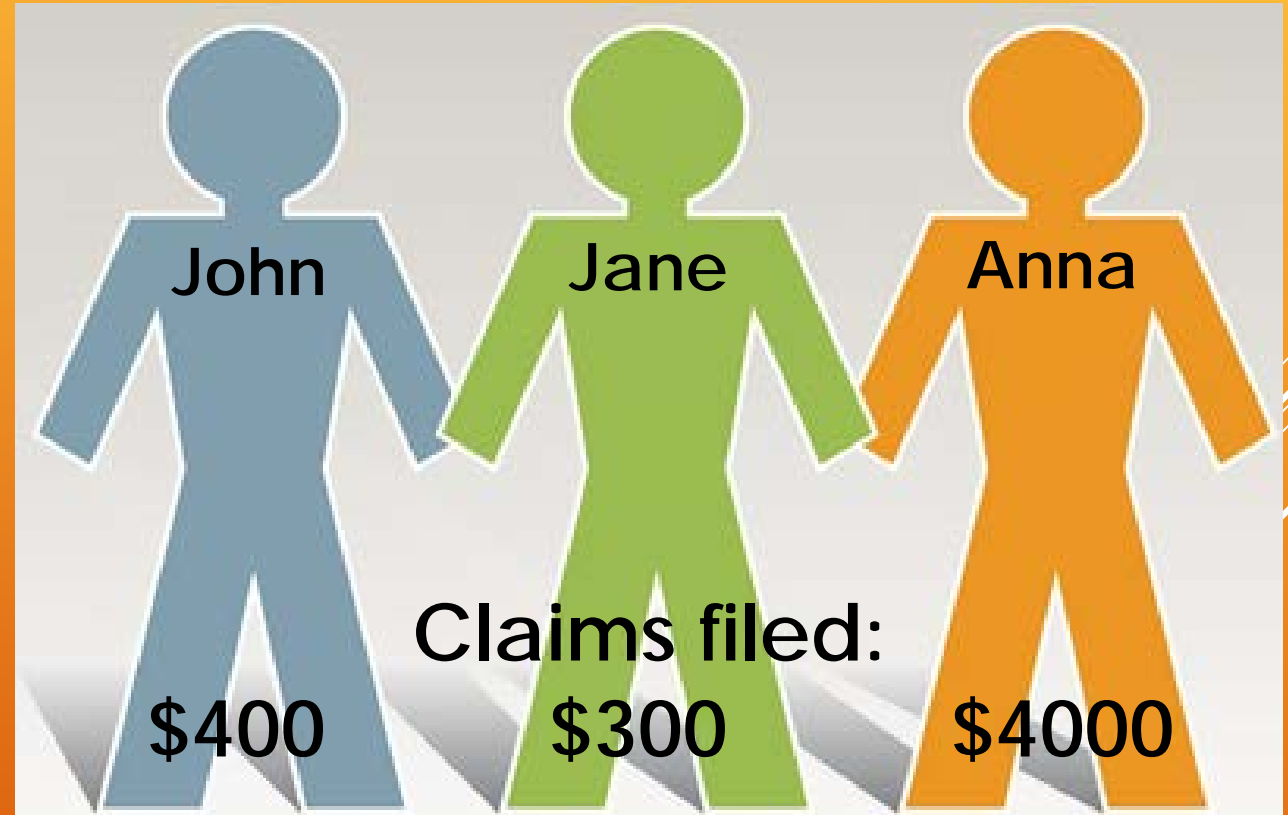


# EMBEDDED VS. AGGREGATE DEDUCTIBLE

Using Option 2 Medical Plan:

Individual Deductible\* =  
\$2,700 (\$5,300 Max Out-of-Pocket)

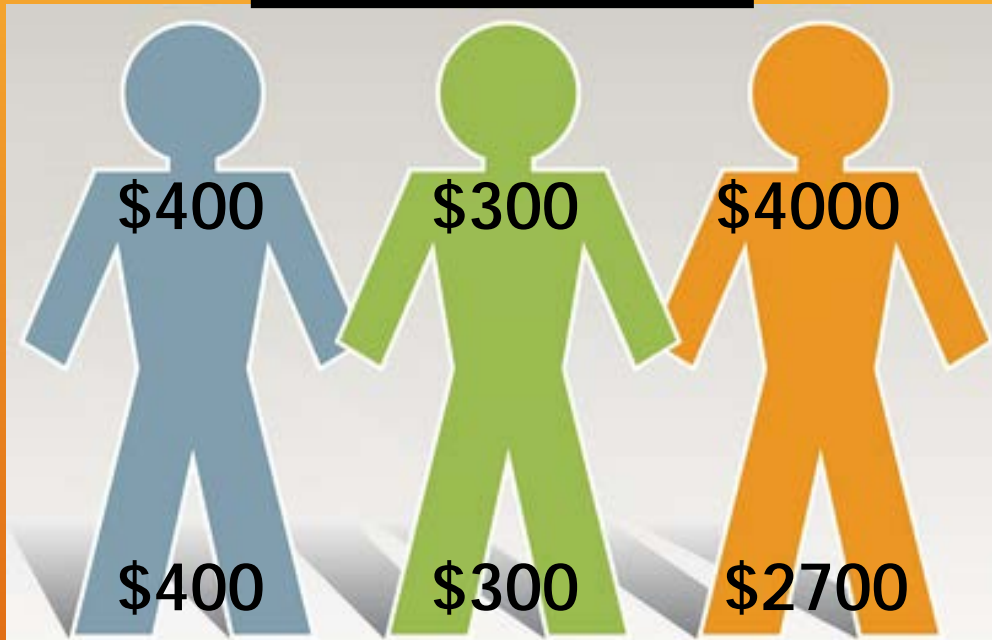
Family Deductible = \$5,300  
(\$10,600 Max Out-of-Pocket)



\*When Dependent or Family coverage is elected, the individual embedded deductible will be \$2,700 due to changes in IRS regulations.

# EMBEDDED VS. AGGREGATE DEDUCTIBLE

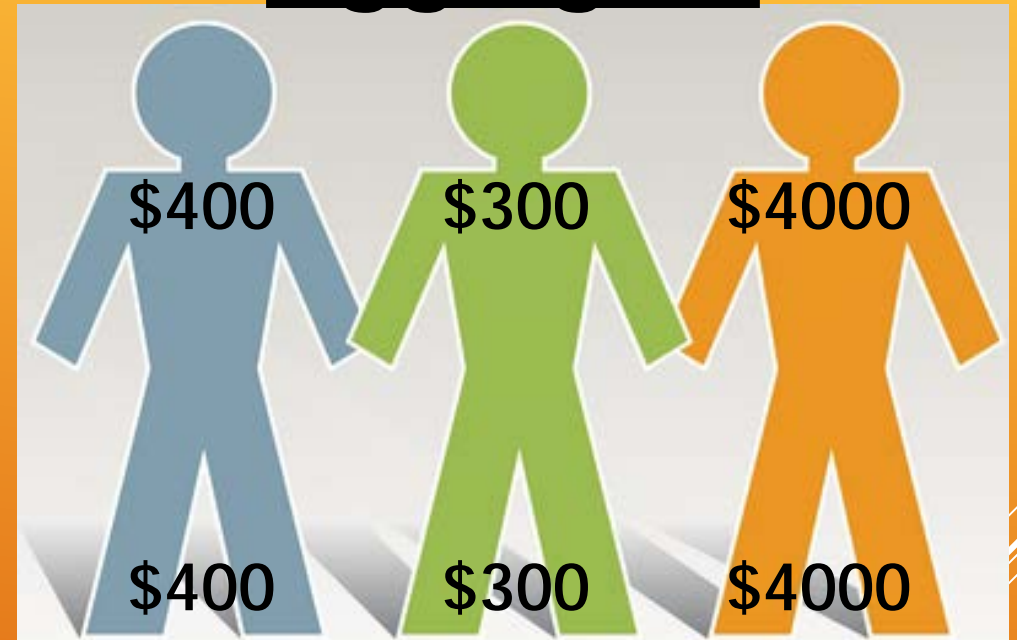
## Embedded



\$2,700 maximum deductible per person because the deductible is embedded.

Family spends \$3,400 towards their \$5,300 family deductible and Anna has met her deductible for the year.


## Aggregate



No maximum exists per person because the deductible is aggregated (non-embedded)

Family spends \$4,700 towards their \$5,300 family deductible

# ADDITIONAL INFORMATION ABOUT EMBEDDED DEDUCTIBLES

- ▶ Deductible amounts contributed by an individual family member will apply toward the family deductible amount
  - ▶ An individual family member is not required to contribute more to the family deductible than their single deductible amount
- 
- A decorative graphic consisting of several parallel white lines of varying lengths, slanted diagonally from the bottom right towards the top right, located in the lower right quadrant of the slide.

# MORE EMBEDDED DEDUCTIBLE EXAMPLES:

- ▶ **Scenario 1**

- ▶ Family of three:

- ▶ Family deductible is \$5,300

- ▶ Embedded individual deductible: \$2,700 (per person)

- ▶ **Person 1 meets \$2,700 deductible**

- ▶ That person's individual deductible is now met.

- ▶ Future claims for that person are subject to coinsurance

- ▶ **Person 2 meets \$800.**

- ▶ Remaining unmet family deductible:

- ▶ \$1,800 (\$5,300 - \$3,500)

- ▶ The remaining \$1,800 can be fulfilled by any combination of Person 2 & Person 3

# MORE EMBEDDED DEDUCTIBLE EXAMPLES:

## ▶ Scenario2

▶ Family of four:

▶ Family deductible is \$5,300

▶ Embedded individual deductible: \$2,700 (per person)

## ▶ Person 1 meets \$2,700 deductible

▶ That person's individual deductible is now met.

▶ Future claims for that person are subject to coinsurance

## ▶ Person 2 meets \$1,200.

## ▶ Person 3 meets \$1,000.

## ▶ Person 4 meets \$400

▶ Family deductible is met:  $\$2,700 + (\$1,200 + \$1,000 + \$400) = \$5,300$

▶ Future claims for all family members are subject to coinsurance and maximum medical out-of-pocket