



Penn Medicine Lancaster General Health

UNDERSTANDING DEDUCTIBLES EMBEDDED



The Select Plan has an *embedded* deductible and an *embedded* out-of-pocket maximum.

The Consumer Plan has an *embedded* deductible and an *embedded* out-of-pocket maximum.



SELECT PLAN

Annual Deductible (Tier 1)

Employee Only Enrolled

- \$250 Individual

Employee + 1 or More Enrolled

- \$250 per Family Member (embedded)
- \$500 Family Cumulative

Medical Expenses

- John: \$75
 - Jane: \$125
 - Jack: \$250
- Cumulative family expenses = \$450**

CONSUMER PLAN

Annual Deductible (Tier 1)

Employee Only Enrolled

- \$2,000 Individual

Employee + 1 or More Enrolled

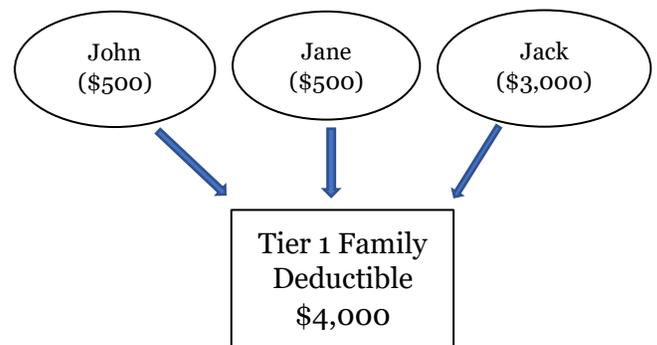
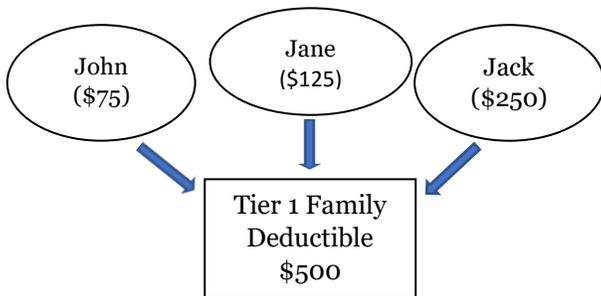
- \$3,000 per Family Member* (embedded)
- \$4,000 Family Cumulative

Medical Expenses

- John: \$500
 - Jane: \$500
 - Jack: \$3,000
- Cumulative family expenses = \$4,000**

With an **embedded family deductible**, the plan begins to make payments for a family member as soon as that family member has reached his/her per family member deductible or the family deductible is met with cumulative expenses from all family members.

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Jack sprains his wrist and must go to the emergency department. Will co-insurance apply immediately since he has already met the \$250 individual deductible? **YES.**

Jane sprains her ankle and must go to the emergency department. Will co-insurance apply immediately since she has not met the \$3,000 per family member deductible? **YES.**

Jack only has to meet his individual deductible before co-insurance applies, which he did before he went to the hospital. With only \$450 in family deductible expenses applied, if John or Jane had sprained his/her wrist, he/she would have to satisfy the remaining \$50 toward the family deductible before coinsurance would apply.

Jane did not have to meet her \$3,000 per family member deductible because the family deductible of \$4,000 had been met first with the combined expenses of each family member.

*Minimum per family member deductible as required for HSA compatible plans