

How Deductibles Work

Seniors Choice Group Retiree Medical Plans allow the member to choose their own deductible.

When services are obtained from a physician or facility that accepts Medicare, the member first meets their plan deductible and then benefits are paid per the benefit summary.

The Medicare deductibles are paid by the plan. Please see the example below for an illustration of how the plan works:

Example

Enrolled in Seniors Choice \$500 Deductible Plan Option

Medicare Part B (Outpatient Charges)

Medicare Part B Deductible is \$147. This must be satisfied before Medicare pays 80%. The Seniors Choice Plan Deductible includes the \$147 Medicare Part B Deductible.

Member incurs \$1,000 in Physician Services

MEMBER'S OUT-OF-POCKET CALCULATION	
Physician's Services	\$1,000
Subtract Medicare Part B Deductible (Member pays this amount)	(\$147)
Remaining Balance	\$853
Subtract the 80% that Medicare Pays	(\$682.40)
Amount Remaining After Medicare Pays (Member pays this amount)	\$170.60
Member's Total Out-of-Pocket	\$317.60

Of the original \$1,000 charges for Physician's Services, \$682.40 has been paid by Medicare with the remaining \$317.60 the responsibility of the member.

REMAINING ANNUAL DEDUCTIBLE CALCULATION	
Seniors Choice Annual Plan Deductible	\$500
Subtract Out-of-Pocket amount paid by member which includes the Medicare Part B Deductible	(\$317.60)
Remaining Annual Plan Deductible	\$182.40

Medicare Part A (Inpatient Charges)

Member incurs \$200 in Inpatient charges.

Member's Out-of-Pocket cost would be \$200.

This \$200 would satisfy part of the Seniors Choice Annual Plan Deductible.

\$300 of the Original \$500 Annual Plan Deductible would remain

to be used across both Medicare Part A and Part B.