

# CATCHING A BREAK

Name: \_\_\_\_\_ Date: \_\_\_\_\_

Barnaby Wild was riding his bike while next-door neighbor Mr. Eman was walking his dog. Sadly, he didn't hear or see Barnaby in time to avoid the crash.

Barnaby was taken to the ER at the local hospital. It was determined that he had broken his leg. Five days later in a cast and on crutches, he was released to return home.

Several weeks later, Barnaby's mom and dad received an invoice in the mail from the hospital. They were shocked to see a bill for \$25,000.

If Barnaby had no health insurance, they would be liable for the whole amount. However, they do carry insurance and will only pay a portion of that amount.

## Instructions:

Look at each of the insurance cards and then calculate what Barnaby's family would need to pay over the entire year if this was their only medical expenses.

First, add up what they would be paying in premiums for the entire year.

$$\$400/\text{month} \times 12 \text{ months} = \$4,800$$

Next, subtract out the deductible from the \$25,000 bill since this amount has to be paid before insurance will start paying.

$$\$25,000 - \$1000 = \$24,000$$

Now find 10% of this new total (the Wild's part of the co-insurance).

$$\$24,000 \times .10 = \$2,400$$

Don't forget to include the \$50 ER visit co-pay!

Now compare this total to the out of pocket max (the most the Wild family would have to pay in medical expenses that year). If the total is larger than the out of pocket max, the family will simply pay that amount. In this case, \$2,400 is less than \$3000, so the Wild family will pay the \$2400.

Finally, just add up the amounts that were payed:

$$\text{TOTAL AMOUNT PAID: } \$4,800 \text{ (premium)} + \$1000 \text{ (deductible)} + \$2400 \text{ (10\% coinsurance)} + \$50 \text{ (co-pay)} = \$8,700$$



**GOLDEN EAGLE**  
INSURANCE

**Co-pay:** Doctor's visit: \$75 ER visit: \$100

**\$500 deductible**

**80/20 coinsurance,**

**\$2000 out of pocket max**

**Premium:** \$250/month

**Prescriptions:** \$5 generic, \$15 brand name



**Co-pay:** Doctor's visit: \$25 ER visit: \$50

**\$1000 deductible**

**90/10 coinsurance**

**\$3000 out of pocket max**

**Premium:** \$400/month

**Prescriptions:** \$15 generic, \$35 brand name

TOTAL AMOUNT PAID: \$

**National General**   
Insurance

**Co-pay:** Doctor's visit: \$25 ER visit: \$50  
**\$2000 deductible**  
**70/30 coinsurance**  
**\$10,000 out of pocket max**  
**Premium:** \$200/month  
**Prescriptions:** \$15 generic, \$35 brand name

TOTAL AMOUNT PAID: \$

**Brightway**  
INSURANCE

**Co-pay:** Doctor's visit: \$75 ER visit: \$100  
**\$100 deductible**  
**80/20 coinsurance**  
**\$1000 out of pocket max**  
**Premium:** \$325/month  
**Prescriptions:** \$10 generic, \$30 brand name

TOTAL AMOUNT PAID: \$

**ALING AMY** 

Amy has Allianz insurance. Read the following scenarios and determine what Amy must pay versus what her insurance plan will pay. Assume that it is the beginning of the year and the start of her coverage period.

**Allianz** 

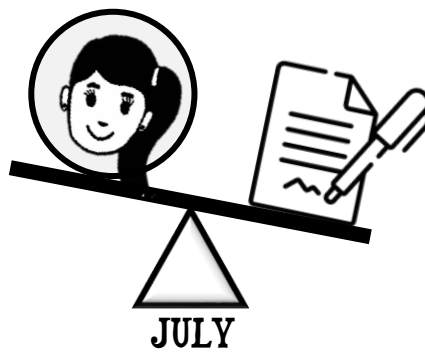
**Co-pay:** Doctor's visit: \$25 ER visit: \$50  
**\$1500 deductible**  
**80/20 coinsurance**  
**\$5000 out of pocket max**  
**Premium:** \$200/month  
**Prescriptions:** \$15 generic, \$35 brand name



Amy hasn't reached her \$1,500 deductible. She went to the doctor and owed \$125.  
 How much will:

Amy pays: \$ \_\_\_\_\_

Her insurance pays: \$ \_\_\_\_\_



Amy has reached her \$1,500 deductible. Her co-insurance now begins. She had a medical procedure that cost \$2,000.  
 How much will:

Amy pays: \$ \_\_\_\_\_

Her insurance pays: \$ \_\_\_\_\_



Amy has reached her \$5,000 out of pocket limit. She had minor surgery and owed \$5,000.  
 How much will:

Amy pays: \$ \_\_\_\_\_

Her insurance pays: \$ \_\_\_\_\_

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Barnaby was taken to the ER at the local hospital. It was determined that he had broken his leg. Five days later in a cast and on crutches, he was released to return home.

Several weeks later, Barnaby's mom and dad received an invoice in the mail from the hospital. They were shocked to see a bill for \$25,000.

If Barnaby had no health insurance, they would be liable for the whole amount. However, they do carry insurance and will only pay a portion of that amount.

## Instructions:

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Now find 10% of this new total (the Wild's part of the co-insurance).

$$\$24,000 \times .10 = \$2,400$$

Don't forget to include the \$50 ER visit co-pay!

Now compare this total to the out of pocket max (the most the Wild family would have to pay in medical expenses that year). If the total is larger than the out of pocket max, the family will simply pay that amount. In this case, \$2,400 is less than \$3000, so the Wild family will pay the \$2400.

Finally, just add up the amounts that were payed:

**TOTAL AMOUNT PAID: \$4,800 (premium) + \$1000 (deductible) + \$2400 (10% coinsurance) + \$50 (co-pay) = \$8,700**



**GOLDEN EAGLE**  
INSURANCE

**Co-pay:** Doctor's visit: \$75 ER visit: \$100  
**\$500 deductible**  
**80/20 coinsurance,**  
**\$2000 out of pocket max**

**Premium:** \$250/month

**Prescriptions:** \$5 generic, \$15 brand name

$$\$250 \times 12 = \$3,000$$

$$\$25,000 - \$500 = \$24,500$$

$$\$24,500 \times .20 = \$4,900 > \$2,000$$

$$\$3,000 + \$500 + \$2,000 + \$100 = \$5,600$$

**TOTAL AMOUNT PAID: \$ 5,600**



**Co-pay:** Doctor's visit: \$25 ER visit: \$50

**\$1000 deductible**

**90/10 coinsurance**

**\$3000 out of pocket max**

**Premium:** \$400/month

**Prescriptions:** \$15 generic, \$35 brand name

## National General

Insurance

**Co-pay:** Doctor's visit: \$25 ER visit: \$50  
**\$2000 deductible**  
**70/30 coinsurance**  
**\$10,000 out of pocket max**  
**Premium:** \$200/month  
**Prescriptions:** \$15 generic, \$35 brand name

$$\$200 \times 12 = \$2,400$$

$$\$25,000 - \$2,000 = \$23,000$$

$$\$23,000 \times .30 = \$6,900 < \$10,000$$

$$\$2,400 + \$2,000 + \$6,900 + \$50 = \$11,350$$

**TOTAL AMOUNT PAID:** **\$ 11,350**

## Brightway INSURANCE

**Co-pay:** Doctor's visit: \$75 ER visit: \$100  
**\$100 deductible**  
**80/20 coinsurance**  
**\$1000 out of pocket max**  
**Premium:** \$325/month  
**Prescriptions:** \$10 generic, \$30 brand name

$$\$325 \times 12 = \$3,900$$

$$\$25,000 - \$100 = \$24,900$$

$$\$24,900 \times .20 = \$4,980 > \$1,000$$

$$\$3,900 + \$100 + \$1,000 + \$100 = \$5,075$$

**TOTAL AMOUNT PAID:** **\$ 5,100**

# ALING AMY

Amy has Allianz insurance. Read the following scenarios and determine what Amy must pay versus what her insurance plan will pay. Assume that it is the beginning of the year and the start of her coverage period.

## Allianz

**Co-pay:** Doctor's visit: \$25 ER visit: \$50  
**\$1500 deductible**  
**80/20 coinsurance**  
**\$5000 out of pocket max**  
**Premium:** \$200/month  
**Prescriptions:** \$15 generic, \$35 brand name



Amy hasn't reached her \$1,500 deductible. She went to the doctor and owed \$125.  
 How much will she pay:

Jane pay: \$ \$125

Her insurance pay: \$ 0



Amy has reached her \$1,500 deductible. Her co-insurance now begins. She had a medical procedure that cost \$2,000.  
 How much will she pay:

Jane pay: \$ \$400

Her insurance pay: \$ \$1,600



Amy has reached her \$5,000 out of pocket limit. She had minor surgery and owed \$5,000.  
 How much will she pay:

Jane pay: \$ \$0

Her insurance pay: \$ \$5,000