

UNDERSTANDING DEDUCTIBLES NON-EMBEDDED/AGGREGATE VS. EMBEDDED

NON-EMBEDDED/AGGREGATE:



Isolved offers 2 High Deductible Health Plans (HDHP)

Plan with Embedded Deductible:
\$4,000 HDHP Plan

Plan with Non-Embedded Deductible:
\$2,000 HDHP Plan

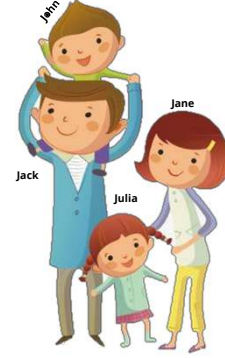
Annual Deductible:

- \$2,000 (Individual)
- \$4,000 (Family)

Medical Expenses:

- John: \$750
- Jane: \$250
- Jack: \$3,000

EMBEDDED:



Annual Deductible:

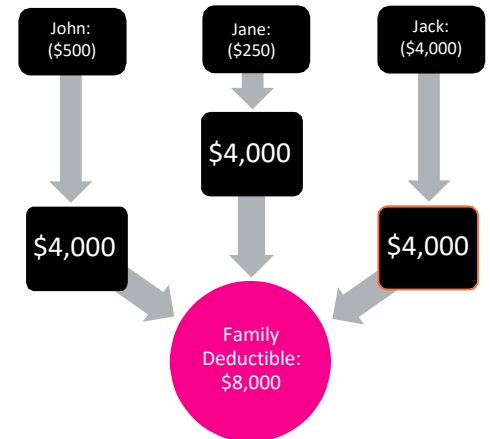
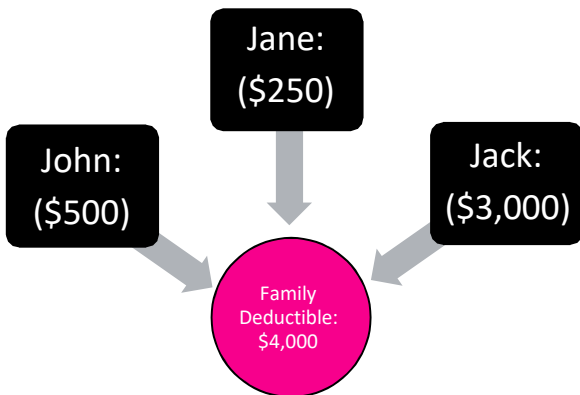
- \$4,000 (Individual)
- \$8,000 (Family)

Medical Expenses:

- John: \$500
- Jane: \$250
- Jack: \$4,000

With a non-embedded family deductible, your family will be paying the deductible until the entire family deductible is collected.

With an embedded family deductible, the plan begins to make payments as soon as one member of the family has reached their individual deductible.



Jack trips & sprains his wrist and needs to go to the emergency room. Will the co-insurance kick in immediately since he has already met the \$2,000 individual deductible?

NO.

The family has only had a total of \$3,750 in medical expenses. Jack will need to pay the remaining \$250 of the family deductible before the co-insurance will take effect. Once the co-insurance is in effect, he will only need to pay 20% of the remaining emergency room expenses.

Jack trips & sprains his wrist and needs to go to the emergency room. Will the co-insurance kick in immediately since he has already met the \$4,000 individual deductible?

YES.

Jack only has to meet his individual deductible of \$4,000. Jack's HDHP will help pay for this trip to the emergency room, and he is only subject to the co-insurance. However, if anyone else in the family had tripped instead of Jack, the co-insurance would not kick in for them until they hit their \$4,000 individual deductible.