A deductible will be an added plan element effective January 1, 2013 for HMOs offered through the UAW Retiree Medical Benefits Trust. We know a deductible may be new to members. This brochure will give you information on how this cost-sharing element works.

### HMO Deductible for 2013

| New Deductible | $215 Individual  
| $430 Family |

### What is a Deductible?

A deductible is a fixed amount of money you have to pay each year before the benefit plan starts paying its part of your medical costs. Generally, services that do not have copays will apply toward your deductible. These services include things like hospital admissions, MRI’s, and other non-copay services. A health insurance deductible works like auto insurance. Let’s say you are in an accident. You have to pay your deductible amount and then your insurance company pays for the rest of the repair work. Health insurance deductibles work the same way.

### How is the Deductible Met?

You are responsible for paying up to the deductible amount for covered services that don’t have a copay. These are services like hospital admissions, outpatient procedures and certain lab services. Once you have met your deductible amount in the calendar year, the health insurance benefit kicks in to pay for covered services for the rest of the year. You are then only responsible for paying copays, where applicable.

### What Services Count Toward the Deductible?

Medical services covered by a flat copay and prescription drugs do not count toward the deductible. All other covered services without copays count toward the deductible.

#### Services that do not count toward your deductible

- **Office Visit Copay**: $25
- **Urgent Care Copay**: $25 MA, $50 Non-MA
- **Emergency Room Copay**: $50 MA, $100 Non-MA
- **Specialist Visit Copay**: $35
- **Pharmacy Retail/Mail**:
  - Tier 1: $11/$22
  - Tier 2: $33/$66
  - Tier 3: $88/$176

#### Services that count toward your deductible

- Hospital Admissions
- MRIs
- Surgeries
- X-rays
- Lab Tests
- Other covered services
**Single vs. Family Deductibles**

Deductibles apply to each family member. Here are some examples of how to figure out what costs go to the deductible for single, two-person family and three-person family expenses.

- The deductible for a single person in 2013 is $215. This means that he/she will pay $215 out-of-pocket for covered services that do not have a copay.
- The deductible for a family (more than one person on the contract) in 2013 is $430.

Here are some examples to help understand how a deductible works in different situations, like what happens when:

- There are multiple dependents on a plan.
- One person meets an individual deductible amount.
- Multiple members of a family contribute to meet the family deductible but no one member hits the single amount.

**Single example**

Jeff is enrolled in a Trust HMO plan. His new deductible is $215. Jeff has been having knee pain and his doctor orders an MRI, which costs $750. Because the visit is covered without a copay, Jeff must pay up to his deductible amount of $215 toward the MRI. Because Jeff’s deductible is met, the plan picks up the remaining $535 and any added expenses like surgery or a hospital admission. Jeff is only required to pay applicable copays for services and prescription drugs for the rest of the calendar year.

**Two-person family example**

The HMO family deductible amount is $430. This means each person must meet the single $215 deductible independently for a total $430 family deductible amount. Once an individual meets his or her deductible, any additional expenses covered without a copay (for that individual only) will be covered by the Plan. Once the other family member meets the family deductible of $430, all expenses covered without a copay will be covered for all members by the Plan. Building off our last example, Jeff is married to Pam. Jeff reaches his individual deductible amount. Pam has X-ray services and a lab test. Because she hasn’t met her individual deductible, she pays the first $215 to meet it. For the rest of 2013, both Jeff and Pam will pay nothing out-of-pocket for all covered services that do not need a copay.
Three-Person Family Example 1

In this first example, Jeff and Pam also have a son named Billy. The family deductible is $430. Everyone’s covered medical expenses help meet the deductible. Jeff meets his individual deductible with an MRI and $215 counts towards the family deductible. At this point, all covered health care expenses without a copay are covered at 100 percent for Jeff only. A few months later, Pam has her services. Pam has not met her individual deductible and the family deductible hasn’t been met. Pam is responsible for $215 of the bill for her services. Now Pam’s services have met the remaining portion of the family deductible. When Billy needs an X-ray a while later, the family pays nothing out-of-pocket because the family deductible is met. Their only health care expenses for the rest of the calendar year will be applicable copays.

The family deductible is satisfied when any combination of two or more people reach $430. In this example, Billy’s X-rays are covered at 100% since the family deductible has been met.

Three-Person Family Example 2

In this last example, we want to show you that in a family of 3 or more, no one person in the family has to meet an individual deductible in order for the family deductible to be met. Let’s say Jeff has blood work done for $180. Pam has a lab test which costs $135. Billy has an X-ray that costs $200. All of these amounts are less than $215 so no one person in the family met an individual deductible. Once Billy’s X-rays were billed on top of the previous services for Jeff and Pam, the amounts meet the family deductible of $430. The X-ray costs $115 out-of-pocket. From this point forward, their only health care expenses will be applicable copays for the rest of the calendar year.

The family deductible is satisfied when any combination of two or more people reach $430. In this example, all three contributed to the $430 family amount without any one person hitting an individual amount of $215.
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