

## Out of Pocket Maximum Sample

The Smith's are a family of three on the family plan at the City of De Pere. The De Pere plan design is as follows:

	Single	Family
<b>Deductible</b>	\$1,500	\$3,000
<b>Out of Pocket Maximum</b>	\$2,500	\$6,000

Since the Smith's are on the family plan, they have a \$3,000 Deductible and \$6,000 Out of Pocket Maximum. That said, if only one person used the medical plan, he/she would cap at the single \$1,500 Deductible and \$2,500 Maximum out of Pocket. In other words, one person on a family plan would not be responsible for the entire \$3,000 Deductible or \$6,000 Out of Pocket Maximum.

Over the course of the plan year, Mr. Smith has a knee surgery. The surgery's cost was \$17,000. This is how the surgery was paid:

<b>\$17,000 Knee Surgery</b>	
Deductible	<b>\$1,500</b>
Balance after Deductible	\$15,500
Coinsurance for that balance (20%)	\$3,100 BUT since the single Out of Pocket Maximum is \$2,500, his total Out of Pocket Maximum is <b>\$1,000</b>
<b>Total cost for Mr. Smith</b>	<b>\$1,500 + \$1,000 = \$2,500</b>

Later in the year, Mrs. Smith breaks her arm. The cost for that care was \$6,000. This is how the claims would pay out:

<b>\$6,000 Broken Arm</b>	
Deductible	\$1,500
Balance after Deductible	\$4,500
Coinsurance for that balance (20%)	\$900
<b>Total Cost for Mrs. Smith</b>	<b>\$1,500 + \$900 = \$2,400</b>

Unfortunately at the same time Mrs. Smith breaks her arm, their daughter, Jane, has to get her appendix out. That surgery cost them \$10,000. This is how the claims would pay out:

<b>\$10,000 Appendix Surgery</b>	
Deductible	\$0 – Already met by Mr. and Mrs. Smith
Balance after Deductible	\$10,000
Coinsurance for that balance (20%)	\$2,000
<b>Total Cost for Jane</b>	<b>\$1,100 (this is the remaining balance to the out of pocket limit of \$6,000 for the family)</b>

So at the end of the plan year, Mr. Smith had \$2,500 in claims, Mrs. Smith ad \$2,400 in claims, and Jane Smith had \$1,100 in claims, which maxed out their \$6,000 Maximum Out of Pocket exposure for the year.