

NALC Health Benefit Plan

CDHP and Value Option Plan

Coordination of Benefits with Medicare

How we determine Plan payment when Medicare Part B and the NALC Health Benefit Plan Consumer Driven Health Plan (CDHP) and Value Option Plan deductibles are not met.

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| Total charge | \$1,350.00 |
| Medicare's allowable expense | \$800.00 |
| Medicare Part B Deductible* | \$203.00 |
| Medicare's total payment | \$481.60 (Medicare's allowable amount of \$800.00 minus Medicare deductible of \$198 payable at 80%) |
| Balance due after Medicare's payment | \$318.40 (Medicare allowable of \$800.00 minus Medicare payment of \$481.60) |
| CDHP/Value Option Plan's Allowable expense | \$800.00 (determined by Medicare allowable amount) |
| CDHP/Value Option Plan's original liability (CDHP/Value Option Plans determine what would be paid in absence of a primary payor) | \$0.00 (CDHP/Value Option Plan's allowable charge of \$800.00 minus the Plan deductible \$800.00) <i>Note: PCA is exhausted.</i> |
| CDHP/Value Option Plan's total payment | \$0.00 (To determine CDHP/Value Option Plan's payment, we subtract Medicare's payment from CDHP/Value Option Plan's original liability. In this case, since CDHP/Value Option Plan's original liability is less than Medicare's payment, the CDHP/Value Option plan pays \$0.00) |
| Patient Responsibility (out-of-pocket) | \$318.40 (Medicare's allowable amount of \$800.00 minus the Medicare and CDHP/Value Option Plan's combined payment) |

*2021 Medicare deductible

How we determine Plan Payment when Medicare is the primary payor and the CDHP/Value Option Plan's deductible is met.

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| Total charge | \$1,350.00 |
| Medicare's allowable expense | \$1,000.00 |
| Medicare Part B Deductible | Deductible is met (\$0.00) |
| Medicare's total payment | \$800.00 (Medicare's allowable amount of \$1,000.00 times 80% Medicare payment) |
| Balance due after Medicare's payment | \$200.00 (Medicare allowable of \$1,000.00 minus Medicare payment of \$800.00) |
| CDHP/Value Option Plan's Allowable expense | \$1,000.00 (determined by Medicare allowable amount) |
| CDHP/Value Option Plan's original liability (CDHP/Value Option Plans determine what would be paid in absence of a primary payor) | \$800.00 (CDHP/Value Option Plan's allowable charge of \$1,000.00 paid at 80%) |
| CDHP/Value Option Plan's total payment | \$0.00 (To determine CDHP/Value Option Plan's payment, we subtract Medicare's payment from CDHP/Value Option Plan's original liability. In this case, since CDHP/Value Option Plan's original liability is equal to Medicare's payment, CDHP/Value Option plan pays \$0.00) |
| Patient Responsibility (out-of-pocket) | \$200.00 (Medicare's allowable amount of \$1,000.00 minus the Medicare and CDHP/Value Option Plan's combined payment of \$800.00) |

This is a summary of some of the features of the NALC Health Benefit Plan CDHP and Value Option Plan. Detailed information on the benefits for the 2022 NALC Health Benefit Plan can be found in the official brochure (RI 71-009). All benefits are subject to the definitions, limitations, and exclusions set forth in the official brochure.