

Break a Leg

Name: _____ Date: _____

Instructions:

Read each policy and calculate what Billy's parent's financial responsibility would be with their \$20,000 bill.

Example: An insurance policy with a \$50 deductible clause and a 90%-10% co-pay requirement on covered charges with a maximum coinsurance amount of \$500 in a calendar year after the deductible. Monthly premiums for this policy are \$400.

[\$50 deductible + \$500 co-pay + \$4,800 annual premium] = \$5,350

Scenarios:

- A. An insurance policy with a \$500 deductible clause and an 80%-20% co-pay requirement on covered charges with a maximum coinsurance amount of \$2,000 in a calendar year after the deductible. Monthly premiums for this policy are \$250.

- B. An insurance policy with a \$200 deductible clause and a 70%-30% co-pay requirement on covered charges with a maximum coinsurance amount of \$3,000 in a calendar year after the deductible. Monthly premiums for this policy are \$175.

- C. An insurance policy with a \$100 deductible and an 80%-20% co-pay on covered charges with a maximum coinsurance amount of \$1,000 in a calendar year after the deductible. Monthly premiums for this policy are \$325.