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.

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\text{[$50 deductible} + \text{$500 co-pay} + \text{$4,800 annual premium]} = \text{$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.