



## Annual Enrollment Begins April 1, 2010

### Understanding How Co-Insurance Works

**Co-insurance means you share the cost of your health care with LSU First after you meet your deductible. Co-insurance is a percentage that you pay after your deductible is exceeded, up to the Out-of-Pocket Maximum.** The chart below illustrates an LSU First Member with Option 1, Employee Only coverage. It compares what you would pay when using First Choice, In-Network, and Out-of-

Network providers.

#### Out-of-Pocket Maximum

To protect you there is a maximum dollar amount of co-insurance you are required to pay. This is referred to as the Out-of-Pocket Maximum, which is based on the plan option and coverage level selected, as well as the network status of the provider you choose. Once your out-of-pocket expenses equal the maximum out-of-pocket figure,

LSU First assumes responsibility for 100 percent of any additional costs.

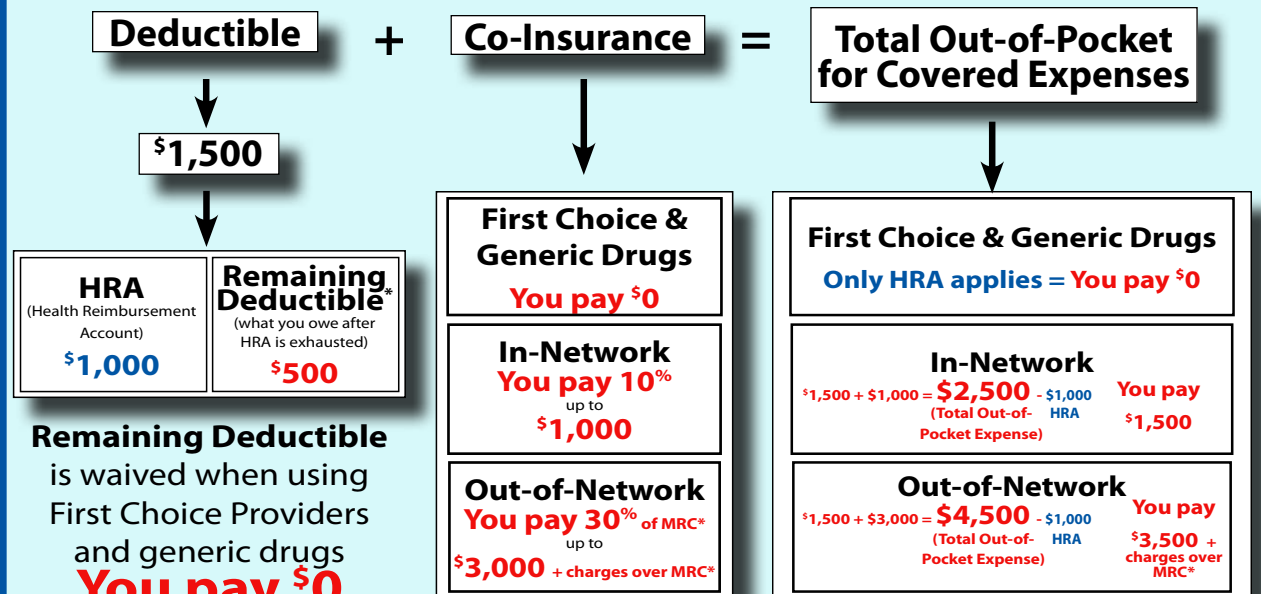
For example, if you have "Option 1, Employee Only Coverage," (shown in the chart), your out-of-pocket maximum for in-network providers would be \$1,000.

Health care expenses of all family members contribute to the annual out-of-pocket maximum.

**Continued on next page.**

### Option 1, Employee-Only Coverage

LSU puts \$1,000 in your HRA at the beginning of each plan year. To find out what you pay, subtract the amount in your HRA (\$1,000 + rollover) from the Total Out-of-Pocket for Covered Expenses.



\*Maximum Reimbursable Charge. || Note: If you have HRA rollover dollars they will automatically be applied to the LSU First plan co-insurance.

For more information about your LSU First benefits, visit [www.lsufirst.org](http://www.lsufirst.org).

## Understanding How Co-Insurance Works (continued)

This means that the costs of only one family member could meet the out-of-pocket maximum. In that case, claims for all other family members would be paid at 100 percent by LSU First.

LSU First co-insurance cross accumulates between First Choice, CIGNA Open Access Plus providers and Out-of-Network providers. That means all co-

insurance paid by any provider would contribute to both your in-network, out-of-network, and out-of-pocket maximum costs.

### Covered Expenses & Maximum Reimbursable Charge

Non-covered services are your responsibility to pay. Payments for non-covered services do not contribute toward your deductible or co-insurance.

The Maximum Reimbursable Charge is an amount set by CIGNA for each specific service. If you receive services from an out-of-network provider, any charges above CIGNA's maximum reimbursable charge would be your responsibility and would not count toward your out-of-pocket expenses. ■

## Co-Insurance example

**Example: Mary had an outpatient surgical procedure. She currently has Option 1 Employee Only Coverage and she has met her deductible of \$1,500 (HRA of \$1,000 and remaining deductible of \$500).**

Category	First Choice Provider	In-Network Provider	Out-of-Network Provider
Billed Charge for Procedure	\$10,000	\$10,000	\$10,000
Plan Allowed Amount	\$5,500 (based on contractual agreement with the Provider)	\$7,000 (based on contractual agreement with the Provider)	\$6,000 (Maximum Reimbursable Charge)
Amount Paid from HRA	\$0	\$0	\$0
Remaining Deductible	\$0	\$0	\$0
Co-Insurance Paid by You	0% (\$0)	10% of Plan Allowed Amount (\$700)	30% of Maximum Reimbursable Charge (\$1,800)
Additional Amount Provider May Bill You (only when you use an Out-of-Network Provider)	\$0	\$0	\$4,000 (\$10,000 Billed Charge - \$6,000 Maximum Reimbursable Charge)
Your Total Out-of-Pocket Expense for this Outpatient Surgical Procedure	\$0	\$700 Co-Insurance	\$5,800 (\$1,800 Co-Insurance + \$4,000 above the Maximum Reimbursable Charge)