

Examples of Member Cost Share – Medicare Retirees

Below are four examples of how Medicare and the State Health Plan PPO administered through Blue Cross Blue Shield of Michigan (BCBSM) process claims for payment for individuals enrolled in Medicare Part B who receive services from a Medicare provider. *Please note: charges and approved amounts are examples only.*

Example 1

Office Visit - Under BCBSM, office visits are *not* subject to a deductible, but effective October 1, 2014 the co-pay will increase from \$15 to \$20.

\$100.00	<ul style="list-style-type: none">• Total office visit charge• Office visit amount billed to Medicare as primary insurance.
\$50.00	<ul style="list-style-type: none">• Medicare Approved Amount• Medicare would not pay more than this maximum approved amount for this office visit.
\$40.00	<ul style="list-style-type: none">• Medicare Payment• Medicare pays 80% of the approved amount from above.
\$10.00	<ul style="list-style-type: none">• Medicare Coinsurance• The remaining balance (20%) is sent to the supplemental insurance carrier (BCBSM) for payment consideration.
\$0.00	<ul style="list-style-type: none">• BCBSM Payment• In this example the remaining balance (\$10) is less than the \$20 co-pay for an office visit, therefore the BCBSM payment would be \$0.00.
\$10.00	<ul style="list-style-type: none">• Member's Responsibility• The remaining amount is the co-pay for the office visit.

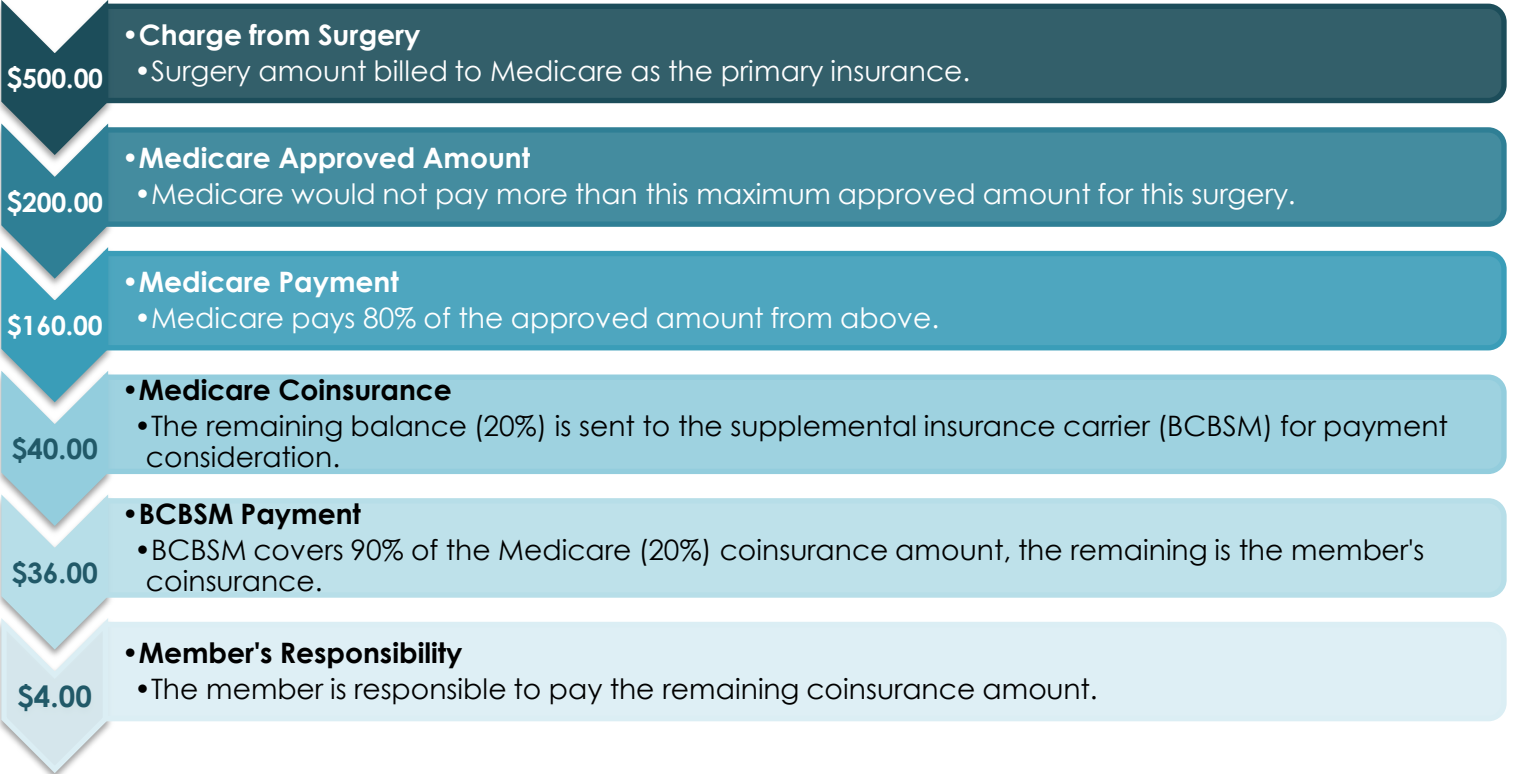
Example 2

Surgery – Effective October 1, 2014 the deductible will increase from \$300 to \$400. In this example member has *not* satisfied the annual deductible of \$400 under BCBSM.

\$500.00	<ul style="list-style-type: none">• Charge from Surgery• Surgery amount billed to Medicare as primary insurance.
\$200.00	<ul style="list-style-type: none">• Medicare Approved Amount• Medicare would not pay more than this maximum approved amount for this surgery.
\$160.00	<ul style="list-style-type: none">• Medicare Payment• Medicare pays 80% of the approved amount from above.
\$40.00	<ul style="list-style-type: none">• Medicare Coinsurance• The remaining balance (20%) is sent to the supplemental insurance carrier (BCBSM) for payment consideration.
\$0.00	<ul style="list-style-type: none">• BCBSM Payment• BCBSM would not make a payment towards the surgery because the member has not yet satisfied the annual deductible.
\$40.00	<ul style="list-style-type: none">• Member's Responsibility• The remaining amount is considered a payment towards the annual deductible.

Example 3

Surgery – Effective October 1, 2014 the deductible will increase from \$300 to \$400. In this example the member has satisfied the annual deductible of \$400 under BCBSM.



Example 4

Surgery – Effective October 1, 2014 the deductible will increase from \$300 to \$400, and the individual out-of-pocket max will increase from \$1,000 to \$2,000. In this example Member has satisfied the annual deductible of \$400 under BCBSM. Additionally, member has had several other services this plan year and has reached \$2,000 in out-of-pocket expenses.

