Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Hour: \_\_\_\_\_\_\_\_\_\_

**Health Insurance Calculations**

Directions: After reading the following story problems, use the Health Insurance Plan Comparison Chart to determine what the health care costs would be to the individual for the specified plan(s).

1. Tom wasn’t feeling well one day and decided he should go the doctor. During his visit he had a little lab work done, which was billed at $300. It was a good thing he got the lab work done though, turns out a nasty little virus was attacking his immune system! Tom was given a prescription for a brand name drug and 7 days later felt amazing!

***How much would this cost if Tom was enrolled in the HMO plan?***

***How much would this cost if Tom used the cafeteria plan?***

1. Jerry was enjoying a beautiful summer day when all of a sudden his throat began to swell up. Before he ran out of breath he was able to call for an ambulance. The ambulance drove him to the hospital’s emergency room. Jerry was stabilized quickly by the ER staff but was admitted to the hospital while waiting on results from lab work, a service the hospital charged $400 for. When the results came back Jerry was relieved, at least a little. As it turns out Jerry is allergic to bees, a fact he did not know for the first 24 years of his life. The doctor gave him a prescription for a generic version of the EPI-Pen.

***How much would this cost Jerry if he were enrolled in the PPO Plan and received all care in network?***

***How much would this cost Jerry if he were enrolled in the PPO and everything happened on while he was on vacation (out of network)?***

1. Michelle is a bit of a daredevil. She has always enjoyed extreme sports and often goes on vacations to tackle some of the world’s most intimidating adventures. On her most recent vacation she set out to kayak the Colorado River with a group of fellow outdoor enthusiasts. Unfortunately she hit a rough patch of rocks and got pretty beaten up. So beaten up that an air ambulance was required to lift her to the nearest hospital. She was admitted right away and underwent surgery to fix a punctured lung! The surgery, which saved Michelle’s life, was billed at $12,500. After a brief recovery, Michelle was able to go back home to Michigan. After getting back home, she had to attend three appointments with her regular doctor over the next two months, simply as precautionary measures. Michelle was given a prescription for a brand name pain killer in Colorado and received a refill on it when she arrived back home in Michigan.

***How much did this little adventure cost Michelle? Assume Michelle is enrolled in the PPO plan, and health care provided in Colorado was “out of network”, while appointments in Michigan are “in-network”.***

1. Jamie has always preferred a nice leisurely walk over a run, yet lately she hasn’t had much of a choice. After she began experiencing soreness in her ankle she made an appointment with her doctor. X-rays were taken and came back negative. She was relieved that the X-rays came back negative but seemed less than happy about the $350 her doctor charged for service. The soreness did not go away and Jamie went back to see her doctor a week later. Once again, X-rays were taken and came back negative. One week later Jamie went back to her doctor complaining of soreness again. Her doctor passed on the X-rays this time around and simply wrote her a referral to an ankle specialist. The specialist was more than happy to help Jamie. Her ankle had been becoming sore because she had a rock in her shoe she knew nothing about! The bill for the office visit came out to $100.00

***Assuming she is enrolled in the HMO Plan, how much did this “pebble in the shoe” cost Jamie?***

***How much would it have cost Jamie if she were enrolled in the cafeteria plan?***

1. Jack is a hypochondriac. It stems from his overbearing mother but it is something he cannot shake, even 34 years later. During the past month he has been to the doctor four times, had lab work done twice (the first time the bill was $400, the next time was $550), filled two generic drug prescriptions and four brand drug prescriptions. Throw in an ambulance ride (land) and an emergency room visit and he is on his way to getting his pseudo-medical license!

***Assuming he is enrolled in the PPO plan, and all health care was provided in-network, how much did all of this cost Jack?***

***Assume all of the above has happened as stated, except the ambulance ride and ER visit resulted in a hospital stay and emergency surgery. The hospital billed $4,700 for the surgery. Under the PPO Plan, with all health care being provided in-network, how much did this cost Jack?***