

A Serious Accident, featuring Jim

Jim fell off a ladder and into the plan's safety net.

Profile: Single male, age 58, Individual coverage.

Jim's bad day: A long hospital stay and recovery.

Sharing the Cost

Jim's in-network deductible: \$500

Costs for Jim's care.

Hospital room and board and other services \$50,000

X-ray and laboratory services \$2,000

Rehab facility costs (including physical therapy) \$12,000

Total inpatient costs \$64,000

How the costs were paid.

Jim must meet the deductible: \$500

Leaving **\$63,500** as the remaining expense.

The Plan pays 85% of remaining expense: \$53,975

Jim pays his 15% share (coinsurance) up to the out-of-pocket maximum \$ 2,000

The Plan pays the rest.

Jim's total out-of-pocket responsibility \$ 2,500
(deductible plus coinsurance, up to the out-of-pocket maximum)

The Plan pays \$61,500

Jim's Story

If you've ever had a serious accident, you'll identify with Jim's story. See how the *LM HealthWorks* Plan helped him through a scary experience.

Jim's bad day.

It started with the roof leaking – and got worse from there. Jim could see the water soaking the ceiling of his upstairs bathroom. He went outside and as he climbed the ladder to take a look at the roof, a squirrel darted right in front of him. Jim twisted one way, and the ladder leaned the other way. Although he managed to grab a rung or two on the way down, Jim hit the ground hard. A neighbor called 911 on his cell and an ambulance was soon on its way.

A long hospital stay and recovery.

At the in-network hospital, Jim learned that he had broken his hip in two places and shattered the bones of his right forearm. He would spend the next three weeks in the hospital and an additional week in a rehab facility.

For this example, let's just consider Jim's inpatient expenses.

Jim's expenses were what we call catastrophic. Luckily, when he fell off that ladder, he fell into the plan's safety net.

His total inpatient costs are \$64,000. At the time of the accident, Jim had not yet met his deductible, so he pays the first \$500 of his expenses. This leaves \$63,500.

The Plan pays its 85% share of this amount, or \$53,975. Jim pays his 15%, but only up to the out-of-pocket maximum of \$2,000. (Remember, the Plan puts a limit on how much Jim has to pay out of his own pocket. Once he meets the out-of-pocket maximum, the Plan picks up the rest.)

Jim's total out-of-pocket responsibility is \$2,500. The plan pays \$61,500.

When you consider Jim's total cost, it's easy to see that the *LM HealthWorks* Plan saved him from financial hardship. Jim's accident had an impact on him but with the help of his *LM HealthWorks* Plan, he was able to get back on his feet.