Health Insurance WORKSHEET

Let's say your health insurance plan has the following features:

• Deductible: $500

• Coinsurance: 80/20 (you pay the 20%; insurance company pays 80%)

• Out-of-Pocket Maximum: $5,000

1. Now, let's say that you go to the hospital and incur $7,500 worth of medical expenses. How much do you have to pay out of pocket?
2. What would be your out-of-pocket cost for $20,000 of annual medical expenses?
3. What would be your out-of-pocket cost for $40,000 of annual medical expenses?