

## YOUR COSTS

### ***Your Monthly Contribution***

Generally, you only pay for coverage under the Medical Plan if:

- You enroll for coverage before you complete six months of **net credited service** (see “Enrolling Early”),
- You are a part-time employee scheduled to work less than 25 hours a week, or
- You are **covered** under the **HMO** option and participation in that requires a contribution.

Your payroll deduction amount for benefit coverage appears on your pay statement. Any contributions toward the cost of Medical Plan coverage are on a pre-tax basis for yourself and your family members other than your **domestic partner** and/or **domestic partnership dependents**.

Cost information will be provided through the Avaya Healthy Decisions Web site at [www.AvayaHealthyDecisions.com](http://www.AvayaHealthyDecisions.com). Remember, if you elect to decline coverage under the Medical Plan, and if you are a full-time employee or part-time **eligible employee** scheduled to work at least 25 hours, you may be eligible to receive a credit in each paycheck. This amount is considered taxable income.

### ***The Annual Deductible***

The annual **deductible** is the amount you may be required to pay each year before benefits for **covered** expenses can begin. Three separate **deductibles** (medical option, **Mental Health and Chemical Dependency Program** and **Prescription Drug Program**) may apply each year if you are **covered** under the **POS** or **Traditional Indemnity** option. Your medical option, the type of service or supply (medical, mental health and **chemical dependency** or prescription drugs) and whether care is received **in-network** or **out-of-network** determines whether a particular **deductible** applies. There is no **deductible** for **EAP** services.

Expenses applied toward the **deductible** under one part of the medical program do not count toward satisfying **deductibles** under other programs. For example, **covered** expenses under the **Traditional Indemnity** option do not count toward the **deductibles** under the **Mental Health and Chemical Dependency Program** or the **Prescription Drug Program** and vice versa. There are generally no **deductibles** under the **HMO** option. Expenses applied toward the **deductible** while actively employed are generally

counted toward the **deductible** in the year of retirement. You may need to submit proof of expenses paid to receive credit for previous expenses; contact **Aetna** Member Services for more information.

### POS and Traditional Indemnity Option Deductibles

You *do not* pay an annual **deductible** for **in-network** care received under the **POS** option if it is provided by a **network provider**.

Generally, you and your **covered dependents** *must* satisfy a **deductible** each calendar year if you receive **out-of-network** care under the **POS** option, or you are **covered** under the **Traditional Indemnity** option.

Your **deductible** is based on your medical option. The following chart shows you how this works.

	POS Option		Traditional Indemnity Option
	In-Network	Out-of-Network	
<b>Annual Deductible*</b>	None	\$600/individual \$1,200/two-person or family **	\$250/individual \$500/two-person \$750/family**

\* The **deductible** under your medical option is in addition to any deductibles you may be required to pay under the **Prescription Drug Program** and the **Mental Health and Chemical Dependency Program**.

\*\* Once the family limit is reached by any combination of **covered** family members, the **deductible** is satisfied for all family members for the rest of the calendar year. Under the **Traditional Indemnity** option, if several **covered** individuals are injured in the same accident, only one **deductible** will apply for all **covered** expenses related to the accident for that calendar year.

For more information, see “Expenses You Pay That Do Not Count Towards the Deductible.”

### Mental Health and Chemical Dependency Program Deductible

You *do not* pay an annual **deductible** under the **Mental Health and Chemical Dependency Program** for **in-network** treatment of mental health or **chemical dependency** conditions. However, you and each of your **covered dependents** must pay a \$250 **deductible** each calendar year before reimbursement for **out-of-network** services can begin.

This **deductible** is in addition to any **deductibles** you may be required to pay under the **POS** or **Traditional Indemnity** option and the **Prescription Drug Program**.

For more information, see “Expenses You Pay That Do Not Count Towards the Deductible.”

## Prescription Drug Program Deductible

You *do not* pay an annual **deductible** under the **Prescription Drug Program** for prescriptions filled at **participating pharmacies** or through **Aetna Rx Home Delivery**. For prescriptions filled at non-participating pharmacies, you must pay a \$50 **deductible** for each **covered** individual, up to a maximum of \$150 per family, each calendar year.

This **deductible** is in addition to any **deductibles** you may be required to pay under the **POS** or **Traditional Indemnity** option and the **Mental Health and Chemical Dependency Program**.

For more information, see “Expenses You Pay That Do Not Count Towards the Deductible.”

## Expenses You Pay That Do Not Count Towards the Deductible

Certain expenses that you pay do not count towards the **deductibles** under the **POS** or **Traditional Indemnity** option, **Prescription Drug Program** and **Mental Health and Chemical Dependency Program**. These include:

- Charges for expenses that are not **covered** under your medical option, **Prescription Drug Program** or **Mental Health and Chemical Dependency Program** (see “Exclusions”)
- Any charges above the **allowable amount**
- Any penalties for failure to obtain **precertification** (see “Precertification”)
- **Copayments** for **in-network** or **coinsurance** for **out-of-network** services

## Coinsurance

**Coinsurance** is a cost sharing method in which the Medical Plan and you each pay a percentage of the cost for **covered** services. Your **coinsurance** is your share of the cost for **covered** expenses after you satisfy any applicable **deductible**. You do not pay **coinsurance** for **EAP** services.

**Coinsurance** *does not* apply to **in-network** care under the **POS** option if it is provided or coordinated by a **network provider**.

Generally, you will pay a percentage of the cost for **covered** expenses if:

- You receive **out-of-network** care under the **POS** option,

- You are **covered** under the **Traditional Indemnity** option, or
- You receive a prescription from a non-participating pharmacy.

The amount of your **coinsurance** is based on your coverage option. The following chart shows you how this works.

	POS Option		Traditional Indemnity Option
	In-Network	Out-of-Network	
<b>Coinsurance</b> (up to the <b>out-of-pocket maximum</b> )	None	25% of the <b>allowable amount</b>	0% or 20% of the <b>allowable amount</b> based on service
See the "Mental Health and Chemical Dependency Program" and "Prescription Drug Program" sections for <b>coinsurance</b> amounts for those programs.			

For more detailed information about the required **coinsurance** for prescription drugs, see "Prescription Drug Program."

### **Copayments**

A **copayment** is a set dollar amount that you pay to the **provider** at the time of service. **Copayments** apply for the following:

- **In-network** care under the **POS** option,
- Emergency room visits and **out-of-network hospital** admissions under the **POS** option,
- Prescriptions filled through **participating pharmacies** or **Aetna Rx Home Delivery** under the **Prescription Drug Program**,
- **In-network** treatment of mental health or **chemical dependency** conditions under the **Mental Health and Chemical Dependency Program**,
- **Out-of-network hospital** admissions for treatment of mental health or **chemical dependency** conditions under the **Mental Health and Chemical Dependency Program**, or
- Certain **covered** services under the **HMO** option (varies by **HMO**).

You do not pay **copayments** for **EAP** services. For more detailed information about some of the required **copayments**, see "Your POS and Traditional Indemnity Option

Comparison Chart,” “Prescription Drug Program” and “Mental Health and Chemical Dependency Program.”

**Out-of-Pocket Maximum**

The **out-of-pocket maximum** is the maximum amount you are required to pay each calendar year for **covered** services. Separate **out-of-pocket maximums** apply for your medical option, the **Mental Health and Chemical Dependency Program** and the **Prescription Drug Program**.

**POS or Traditional Indemnity Option Out-of-Pocket Maximums**

Your **out-of-pocket maximum** is based on your medical option and whether you receive **in-network** or **out-of-network** care. The following chart shows you how this works.

	POS Option		Traditional Indemnity Option
	In-Network**	Out-of-Network	
<b>Annual Out-of-Pocket Maximum*</b>	\$1,000/individual, \$2,000/two-person or family	\$3,000/individual \$6,000/two-person or family	\$1,000/individual \$2,000/two-person \$3,000/family
<p>* Once you or a <b>covered dependent</b> reach the individual maximum, most <b>covered</b> expenses are paid at 100% of the <b>allowable amount</b> for that individual for the rest of the calendar year. Once you reach the family maximum, most <b>covered</b> expenses are paid at 100% of the <b>allowable amount</b> for all <b>covered</b> family members for that calendar year. This <b>out-of-pocket maximum</b> is in addition to any <b>out-of-pocket maximums</b> under the <b>Prescription Drug Program</b> and the <b>Mental Health and Chemical Dependency Program</b>.</p> <p>** The <b>in-network out-of-pocket maximum</b> does not include <b>out-of-network hospital admission copayments, deductibles and coinsurance payments</b>.</p>			

### Prescription Drug Program Out-of-Pocket Maximum

Your **out-of-pocket maximum** under the **Prescription Drug Program** depends on where you fill your prescriptions. The following chart shows you how this works.

	<b>Participating Pharmacy or Through Aetna Rx Home Delivery **</b>	<b>Non-Participating Pharmacy</b>
<b>Annual Out-of-Pocket Maximum*</b>	\$1,000 per person/ \$3,000 per family	None
* This <b>out-of-pocket maximum</b> is in addition to any <b>out-of-pocket maximums</b> under your medical option and the <b>Mental Health and Chemical Dependency Program</b> . ** Once you reach the <b>out-of-pocket maximum</b> under the <b>Prescription Drug Program</b> , you are reimbursed 100% for prescriptions obtained through <b>participating pharmacies</b> or <b>Aetna Rx Home Delivery</b> .		

### Mental Health and Chemical Dependency Out-of-Pocket Maximum

Your **out-of-pocket maximum** under the **Mental Health and Chemical Dependency Program** depends on whether you receive **in-network** care coordinated through the **Behavioral Health Coordinator** or **out-of-network** care. The following chart shows you how this works.

	<b>Precertified In-Network **</b>	<b>Out-of-Network</b>
<b>Annual Out-of-Pocket Maximum*</b>	\$750 per individual	None
* This <b>out-of-pocket maximum</b> is in addition to any <b>out-of-pocket maximums</b> under your medical option and the <b>Prescription Drug Program</b> . ** Once you have paid \$750 in eligible expenses under the <b>Mental Health and Chemical Dependency Program</b> , <b>in-network providers</b> should not charge you any more <b>copayments</b> for the remainder of that calendar year. If you pay an <b>in-network provider</b> any amounts after meeting your <b>out-of-pocket maximum</b> , have the <b>provider</b> reimburse you.		

### Expenses You Pay That Do Not Count Towards the Out-of-Pocket Maximum

Certain expenses you must pay do not count towards the **out-of-pocket maximums** under the **POS** or **Traditional Indemnity** options, **Prescription Drug Program** and **Mental Health and Chemical Dependency Program**. These include:

- Charges for expenses that are not **covered** under your medical option, **Prescription Drug Program** or **Mental Health and Chemical Dependency Program**
- Any charges above the **allowable amount**
- Any penalties for failure to obtain **precertification**

- **Copayments** for certain **in-network** or **out-of-network** services (including office visits) under the **POS** option
- Expenses applied toward any required **deductibles**

### **HMO Option**

Generally, if you are **covered** under the **HMO** option, you only pay a **copayment** to the **provider** at the time of service, if required. This amount may vary by **HMO** or type of service. There are usually no **deductibles** or **coinsurance** amounts under the **HMO** option.

### **The Allowable Amount**

The **allowable amount** is the portion of a **provider's** charge that is eligible for partial or full reimbursement under the Medical Plan. No benefits are paid for charges that exceed the **allowable amount**.

Charges for **covered** services are always within the **allowable amount** if:

- You are **covered** under the **POS** option and **in-network** care is provided or coordinated by a **network provider**,
- You are **covered** under the **POS** or **Traditional Indemnity** option and precertified **in-network** treatment of a mental health or **chemical dependency** condition is coordinated through **Aetna** under the **Mental Health and Chemical Dependency Program**,
- You use a **NAP network provider** under the **Traditional Indemnity** option or **out-of-network** under the **POS** option, or
- You use a **participating pharmacy** under the **Prescription Drug Program**.

Your **provider's** charges may exceed the **allowable amount** if:

- You receive **out-of-network** care under the **POS** option and you do not use a **NAP provider**,
- You use non-**NAP network providers** under the **Traditional Indemnity** option,
- You receive treatment for a mental health or **chemical dependency** condition **out-of-network** under the **Mental Health and Chemical Dependency Program**, or

- You utilize a non-participating retail pharmacy.

You are responsible for paying any amounts that exceed the **allowable amount**, in addition to any **deductibles**, **copayments** or **coinsurance** amounts that may apply.