

## YOUR COSTS

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

Your payroll deduction amount for benefit coverage appears on your pay statement. Remember, you contribute toward the cost of Medical Plan coverage on a pre-tax basis for yourself and your **covered dependents**, 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 **eligible employee**, you may be eligible to receive a credit in each paycheck. This amount is considered taxable income.

If you and your **covered dependents** do not use tobacco (tobacco free for the 12-month period before enrollment), you will receive a discount on your medical coverage contributions. In order to take advantage of the medical coverage contribution discount, you must declare yourself and your **covered dependents** as **non-tobacco users** during **annual enrollment**.

### **Special Note for Part-Time Employees**

Part-time employees and their dependents are eligible for medical coverage. The amount the Company pays for coverage for you and your **eligible dependents** under the Medical Plan depends upon the number of hours you work each week as outlined in the following chart:

<b>Scheduled Work Hours</b>	<b>The Company Pays This Percentage of the Cost</b>	<b>You Pay This Percentage of the Cost</b>
At least 25 hours per week	50%	50%
Fewer than 25 hours per week	0%	100%

If you need to enroll yourself or your **eligible dependents** for coverage in the Medical Plan, you must do so within 31 days of your eligibility date (see “Who Is Eligible” and “Eligible Dependents”). If you do not enroll *within* 31 days, you will have to wait for the next **annual enrollment** period.

### ***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 Standard or Enhanced **POS** option or Enhanced **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 Enhanced **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 Indemnity Options Deductibles**

You *do not* pay an annual **deductible** for **in-network** care received under the Standard or Enhanced **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 Standard or Enhanced **POS** option, or you are **covered** under the Enhanced **Indemnity option**.

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

	Standard POS Option		Enhanced POS Option		Enhanced Indemnity Option
	In-Network	Out-of-Network	In-Network	Out-of-Network	
<b>Annual Deductible*</b>	None	\$500/individ. \$1,000/two-person or family**	None	\$500/individ. \$1,000/two-person or family**	\$250/individ. \$500/two-person \$750/family**
<p>* The <b>deductible</b> under your medical option is in addition to any <b>deductibles</b> you may be required to pay under the <b>Prescription Drug Program</b> and the <b>Mental Health and Chemical Dependency Program</b>, if available.</p> <p>** Once the family limit is reached by any combination of <b>covered</b> family members, the <b>deductible</b> is satisfied for all family members for the rest of the calendar year. Under the Enhanced <b>Indemnity option</b>, if several <b>covered</b> individuals are injured in the same accident, only one <b>deductible</b> will apply for all <b>covered</b> expenses related to the accident for that calendar year.</p>					

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 \$400 **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 Standard or Enhanced **POS** option, or Enhanced **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 \$100 **deductible** for each **covered** individual, up to a maximum of \$300 per family, each calendar year.

This **deductible** is in addition to any **deductibles** you may be required to pay under the Standard or Enhanced **POS**, or Enhanced **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 Standard or Enhanced **POS** option, Enhanced **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** services after you satisfy any applicable **deductible**. You do not pay **coinsurance** for **EAP** services.

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

- You receive **in-network** services other than office visits, such as hospital maternity, lab, X-ray under the Standard **POS** option,
- You receive **out-of-network** care under the Standard or Enhanced **POS** option,
- You are **covered** under the Enhanced **Indemnity option**, or
- You receive prescriptions filled through **participating pharmacies**, non-participating pharmacies or **Aetna Rx Home Delivery** under the **Prescription Drug Program**.

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

	Standard POS Option		Enhanced POS Option		Enhanced Indemnity Option
	In-Network	Out-of-Network	In-Network	Out-of-Network	
<b>Coinsurance</b> (up to the annual <b>out-of-pocket maximum</b> )	None for office visits; 10% of the <b>prenegotiated rate</b> for other services	30% of the <b>allowable amount</b>	None	30% of the <b>allowable amount</b>	10% of the <b>allowable amount</b>
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 Standard or Enhanced **POS** option,
- Emergency room visits and **out-of-network hospital** admissions under the Standard or Enhanced **POS** option,
- **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 “Coverage Options -- a Comparison,” 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, and the **Mental Health and Chemical Dependency Program**.

### POS and Indemnity Options 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.

	Standard POS Option		Enhanced POS Option		Enhanced Indemnity Option
	In-Network**	Out-of-Network	In-Network**	Out-of-Network	
<b>Annual Out-of-Pocket Maximum*</b>	\$1,250/individ. \$2,500/two-person or family	\$2,500/individ. \$5,000/two-person or family	\$1,000/individ. \$2,000/two-person or family	\$2,500/individ. \$5,000/two-person or family	\$2,500/individ. \$5,000/two-person or 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>Mental Health and Chemical Dependency Program</b>.</p> <p>** The <b>in-network out-of-pocket maximum</b> does not include <b>deductibles</b> or <b>in-network</b> or <b>out-of-network hospital admission copayments</b>.</p>					

### 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.

	Precertified In-Network**	Out-of-Network
<b>Annual Out-of-Pocket Maximum*</b>	\$750 per individual	None
<p>* This <b>out-of-pocket maximum</b> is in addition to any <b>out-of-pocket maximums</b> under your medical option.</p> <p>** 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.</p>		

## **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 Standard or Enhanced **POS** option, Enhanced **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**
- 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 Standard or Enhanced **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 Standard or Enhanced **POS** option and **in-network** care is provided or coordinated by a **network provider**,
- You are **covered** under the Standard or Enhanced **POS** option, or Enhanced **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 Enhanced **Indemnity option** or **out-of-network** under the Standard or Enhanced **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 Standard or Enhanced **POS** option and you do not use a **NAP provider**,
- You use non-**NAP network providers** under the Enhanced **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.