

# Family Monthly Deductible



## A Better Way To Share The Cost Of Healthcare

Traditional health plans require that the entire annual deductible amount be paid by a member before the health plan will pay medical expenses. This could have a devastating financial impact on the member or cause the member to delay care, worsening their health.

### *The 90 Degree Benefits Family Monthly Deductible Plans*

The 90 Degree Benefits Family Monthly Deductible (FMD) Plans spread the deductible evenly throughout the year. The FMD monthly amount is predetermined by the health plan and applies to the entire family. FMD reduces the deductible to a lower monthly budget-friendly amount. Once the monthly amount is met by the member, the health plan will cover 100% of allowable charges until the next month.

FMD is a smarter and time-tested way to address the budgetary needs of workers and their dependents while reducing claim utilization and rates, making patients better healthcare consumers, providing benefits and spreading risk over a broader segment of plan participants. The FMD concept originated in 1966, and has worked better than traditional plans or over 50 years.

## Advantages for All



**Lowers** patient financial responsibility, and results in lower claims cost to the plan



**Richer** benefits or lower premiums with lower out-of-pocket exposure



**Reduces** excess claims utilization by keeping members financially engaged through the year



**Protects** a worker's budget with lower financial stress, supporting access to care earlier in the treatment cycle



**Proven** track record of plan savings compared to traditional calendar year deductibles by a factor of 3:1

90 Degree Benefits' Family Monthly Deductible (FMD) Plans spread the deductible evenly throughout the year.

# Family Monthly Deductible (FMD) vs. Traditional Calendar Year Deductible (CYD)

## Member Out-of-Pocket (OOP) Example

(Examples assume 100% Benefit after equivalent Deductible as shown above)

<i>Procedure within any Calendar Month<sup>a</sup></i>	Example Procedure Cost	90 Degree Benefits \$500 FMD Member OOP	Traditional \$2,000 CYD Member OOP
Normal Delivery with Sick Baby <sup>b</sup>	\$25,000	\$500	\$4,000 <sup>b</sup>
Food Poisoning Family of 3	\$20,000	\$500	\$6,000 <sup>c</sup>
Knee Surgery	\$25,000	\$500	\$2,000

- a If the episode of care spans more than one calendar month, the FMD will apply in each month expenses are incurred, limited to the annual maximum OOP in the plan
- b Since the baby was a sick baby, both mom and baby had to meet the deductible
- c Emergency Room will collect three deductibles, one deductible per patient within the family unit

The Family Monthly Deductible (FMD) concept is not a panacea, just one proven and tested idea to control cost and better manage trend in the cost of an employer-sponsored health plan and lessen the burden on members.

Contact 90 Degree Benefits today.

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 The Right Turn For Your Benefits

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