

Subject: Copayment Maximum for Individuals Changing Status

References: Amended 1950 & 1974 Benefit Plans & Trusts,  
Article III, Section A (8)

Question:

What is the annual copayment maximum for an individual who changes status (active to inactive, or vice versa) during the copayment year?

Example 1: An Employee has paid \$75 in copayments for physician visits and \$30 in drug copayments; he retires.

Example 2: An Employee has paid \$120 in copayments for physician visits and \$30 in drug copayments; he retires.

Example 3: A Pensioner has paid \$90 in copayments for physician visits and \$30 in drug copayments; he returns to work in a classified job with a signatory employer.

Answer:

The individual must meet the copayment maximum for his current status before the Plan will make full payment for the services. The drug copayment maximum is the same for the working and non-working groups. Therefore, in each of the examples above, an additional \$20 must be paid to satisfy the drug copayment maximum.

Therefore, the Employee in Example 1 must pay an additional \$25.00 to meet the \$100 maximum for physician visits. For the Employee in Example 2, there is no refund of any money he may have paid in excess of the inactive non-working group's maximum.

In Example 3, the Employee would have to pay an additional \$60.00 to meet the \$150 maximum for physician visits before the Employer could begin to pay the full charge for physician visits.