

Figure: 28 TAC §21.2408(b)(2)(C)

Example 1

Facts. A health benefit plan offers inpatient and outpatient benefits and does not contract with a network of providers. The plan imposes a \$500 deductible on all benefits. For inpatient medical/surgical benefits, the plan imposes a coinsurance requirement. For outpatient medical/surgical benefits, the plan imposes copayments. The plan imposes no other financial requirements or treatment limitations.

Conclusion. In this example, because the plan has no network of providers, all benefits provided are out-of-network. Because inpatient, out-of-network medical/surgical benefits are subject to separate financial requirements from outpatient, out-of-network medical/surgical benefits, the requirements of this section apply separately with respect to any financial requirements and treatment limitations, including the deductible, in each classification.

Example 2

Facts. A plan imposes a \$500 deductible on all benefits. The plan has no network of providers. The plan generally imposes a 20% coinsurance requirement with respect to all benefits, without distinguishing among inpatient, outpatient, emergency care, or prescription drug benefits. The plan imposes no other financial requirements or treatment limitations.

Conclusion. In this example, because the plan does not impose separate financial requirements (or treatment limitations) based on classification, the requirements of this section apply with respect to the deductible and the coinsurance across all benefits.

Example 3

Facts. Same facts as Example 2, except the plan exempts emergency care benefits from the 20% coinsurance requirement. The plan imposes no other financial requirements or treatment limitations.

Conclusion. In this example, because the plan imposes separate financial requirements based on classifications, the requirements of this section apply with respect to the deductible and the coinsurance separately for:

- (I) benefits in the emergency care classification, and
- (II) all other benefits.

Example 4

Facts. Same facts as Example 2, except the plan also imposes a preauthorization requirement for all inpatient treatment in order for benefits to be paid. No such requirement applies to outpatient treatment.

Conclusion. In this example, because the plan has no network of providers, all benefits provided are out-of-network. Because the plan imposes a separate treatment limitation based on classifications, the requirements of this section apply with respect to the deductible and coinsurance separately for:

- (I) inpatient, out-of-network benefits; and
- (II) all other benefits.