

Example 1 – Single Employee with Few Medical Expenses

This example shows you how much a single person with fewer medical expenses will pay for care with each of the Medical Plan options. When deciding which Medical Plan is right for you, it is important to look at your total medical and prescription drug expenses, which include what you pay for services AND what you pay in paycheck deductions for each plan.

Meet Alex

- Alex is single, in good health and doesn't use tobacco.
- He gets his annual physical and uses in-network doctors. He has a pretty smooth year.
- Let's pretend that he will need to:
 - Get his annual physical;
 - Go to the primary care doctor once during the year;
 - Visit an urgent care clinic and get an X-ray for a sports injury;
 - Visit a specialist twice during recovery from his injury; and,
 - Fill a few prescriptions.

The amounts shown are estimates for Alex's care under the plans. The numbers are for illustration purposes only. Please note Alex's annual physical was routine preventive care. So the plan covered his physical at 100% (shown as \$0 on the chart). Under the HSA Plus and HSA Basic some preventive, generic prescriptions are also covered at 100% (shown as \$0 on the chart). All other amounts show Alex's out-of-pocket costs and assume he used in-network providers.

	Cost of Care	HSA Plus	HSA Basic	PPO
Annual Deductible (Individual)		\$1,750	\$2,800	\$800
Out-of-Pocket Maximum (Individual)		\$3,500	\$5,000	\$4,000
Annual Medical Expenses:				
One annual physical	\$80 x 1	\$0 (covered 100%)		
One primary care doctor visits	\$100 x 1	\$100	\$100	\$25 <i>copay</i>
Two generic retail prescriptions	\$20 x 2	\$40	\$40	\$20 <i>(\$10 copay x 2)</i>
One urgent care visit	\$90 x 1	\$90	\$90	\$35 <i>copay</i>
One X-ray	\$150 x 1	\$150	\$150	\$150
Two specialist doctor visits	\$140 x 2	\$280	\$280	\$70 <i>(\$35 copay x 2)</i>
Total expenses	\$740	\$660	\$660	\$300
Alex's Paycheck & Out-of-Pocket Costs:				
Annual paycheck deductions		\$924	\$360	\$1,680
Deductible amount paid by Alex		\$660	\$660	\$150
Other costs paid by Alex*		\$0	\$0	\$150
Annual Company-provided Contributions		(\$400)	(\$150)	N/A
Alex's Total Cost		\$1,184	\$870	\$1,980

*Includes copays and out-of-pocket costs after the deductible is met.

To calculate Alex's total cost, we added his annual out-of-pocket expenses (deductible + coinsurance and/or copayments + annual paycheck deductions) and subtracted his Company-provided HSA contributions. **The HSA Basic wins!**

If Alex chooses either HSA plan, he can increase his pre-tax savings by contributing more to his HSA. See how much he could save by:

	HSA Plus	HSA Basic
Saving the premium difference from the PPO	\$756	\$1,320
Saving up to the IRS HSA individual contribution limit	\$3,150	\$3,700

Once his HSA balance reaches \$500, he can even choose to grow his HSA dollars by investing them, just like a 401(k). This way, he has more money to cover medical expenses down the road when he needs them, like in retirement.