

Example 10 – Family of Five with Fewer Medical Expenses

This example shows you how much a family of five 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 Chris

- Chris is married and has three growing kids. He and his wife don't use tobacco, and overall the family is quite healthy.
- Everyone in the family goes to the doctor for his/her physical, wellness visit and shots each year. In addition to preventative care, the kids occasionally need to go to the doctor for ear and sinus infections, and one child is diagnosed with allergies that require regular shots.
- Chris gets an MRI this year when his doctor believes he may have reinjured his knee while playing with the kids.
- Let's pretend that the family will need to:
 - Get five wellness exams;
 - Go to the primary care doctor nine times;
 - Visit an allergy specialist five times;
 - Get one round allergy testing and nine allergy shots;
 - Get one MRI; and,
 - Fill six generic prescriptions at the pharmacy and two more generic prescriptions through home delivery.

The amounts shown are estimates for the family's care under both plans. The numbers are for illustration purposes only. Please note all the annual wellness exams, wellness visits and immunizations were routine preventative care. So the plan covered all of these visits at 100% (shown as \$0 on the chart). All other amounts show Chris' out-of-pocket costs and assume the family used in-network providers.

	<i>Cost of Care Details</i>	CDHP	PPO
Annual Deductible (Family)		\$7,500	\$2,000
Out-of-Pocket Maximum (Family)			\$7,000
Annual Medical Expenses:			
Five preventive care visits — wellness exams for Mom and Dad, wellness visits and immunizations for three kids	\$250 x 5	\$0 (covered 100%)	\$0 (covered 100%)
Nine primary care doctor visits	\$80 x 9	\$720	\$225 (\$25 copay x 9)
Five specialist visits	\$110 x 5	\$550	\$175 (\$35 copay x 5)

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	<i>Cost of Care Details</i>	CDHP	PPO
Annual Medical Expenses (cont.):			
Allergy testing and nine allergy shots	\$525 + \$35 x 9	\$840	\$840
One MRI	\$1,110	\$1,110	\$1,110
Six 31-day, retail generic drugs and two 90-day, generic maintenance medications filled via home delivery	\$30 x 6 + \$50 x 2	\$180 + \$100	\$30 (\$5 copays x 6) + \$20 (\$10 copay x 2)
Total expenses	\$4,750	\$3,500	\$2,400
Chris' Paycheck & Out-of-Pocket Costs:			
Annual paycheck deductions		\$1,502	\$4,095
Deductible amount paid by Chris		\$3,500	\$2,000
Other costs paid by Chris*		\$0	\$400
Annual Partnership-provided HSA Contribution		- \$2,000	N/A
Chris' Total Cost		\$3,002	\$6,495

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

To calculate the family's total cost, we added the annual out-of-pocket expenses (deductible + coinsurance and/or copayments + annual paycheck deductions based on the non-tobacco user rates) and subtracted Chris' Partnership-provided HSA contribution. As you can see, your savings are much greater with the CDHP! Chris could also save even more by making his own HSA contribution and lowering his taxable income.