

Example 4 – Married Couple with Fewer Medical Expenses

This example shows you how much a married couple 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 Carl

- Carl is married and his wife does not work. He and his spouse do not use tobacco and they do not have any children, so he will elect Employee + Spouse coverage.
- Carl and his wife are active and in good health.
- Let's pretend that he will need to:
 - Have two annual wellness exams;
 - Visit one primary doctor and two specialist;
 - Visit an urgent care clinic and get an X-ray for an illness; and,
 - Fill a few generic prescriptions at the pharmacy and two generic prescription via mail order.

The amounts shown are estimates for Carl and his wife's care under both plans. The numbers are for illustration purposes only. Please note their annual wellness exams were routine preventive care. So the plan covered their wellness exams at 100% (shown as \$0 on the chart). All other amounts show Carl's out-of-pocket costs and assume he and his wife used in-network providers.

	<i>Cost of Care Details</i>	CDHP	PPO
Annual Deductible (Family)			\$2,000
Out-of-Pocket Maximum (Family)		\$7,500	\$7,000
Annual Medical Expenses:			
Two annual wellness visits	\$250 x 2	\$0 (covered 100%)	\$0 (covered 100%)
One primary care doctor visits	\$80 x 1	\$80	\$50 copay
Two specialist visits	\$110 x 2	\$220	\$70 (\$35 copay x 2)
One urgent care visit	\$250 x 1	\$250	\$25 copay
One X-ray	\$500 x 1	\$500	\$500
Two 31-day, retail formulary drugs and one 90-day, generic maintenance medications filled via home delivery	\$30 x 2 + \$50 x 2	\$60 + \$100	\$10 (\$5 copay x 2) + \$20 (\$10 copay x 2)
Total expenses	\$1,710	\$1,210	\$675

YOUR BENEFITS 2020



Carl's Paycheck & Out-of-Pocket Costs:			
Annual paycheck deductions		\$929	\$2,898
Deductible amount paid by Carl		\$1,210	\$500
Other costs paid by Carl*		\$0	\$175
Annual Partnership-provided HSA Contribution		-\$2,000	N/A
Carl's Total Cost		\$929	\$3,573

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

To calculate Carl'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 Carl's Partnership-provided HSA contribution. As you can see, your savings are much greater with the CDHP! He will have \$790 remaining in his HSA account at the end of the year. Carl could also save even more by making his own HSA contributions and lowering his taxable income.