

Example 1 – Single Employee with Fewer 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 Matt

- Matt is single, in good health and doesn't use tobacco. He doesn't have any dependents. So he will elect Employee Only coverage.
- Let's pretend that he will need to:
 - Get his annual wellness exam;
 - Go to the 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 Matt's care under both plans. The numbers are for illustration purposes only. Please note Matt's annual wellness exam was routine preventive care. So the plan covered his wellness exam at 100% (shown as \$0 on the chart). All other amounts show Matt's out-of-pocket costs and assume he used in-network providers.

	<i>Cost of Care Details</i>	CDHP	PPO
Annual Deductible (Employee Only)		\$3,750	\$1,000
Out-of-Pocket Maximum (Employee Only)			\$3,500
Annual Medical Expenses:			
One annual wellness exam	\$250 x 1	\$0 (covered 100%)	\$0 (covered 100%)
One primary care doctor visit	\$80 x 1	\$80	\$25 copay
One X-ray	\$500 x 1	\$500	\$500
Two specialist doctor visits	\$110 x 2	\$220	\$70 (\$35 copay x 2)
Two 31-day, generic retail drugs	\$30 x 2	\$60	\$10 (\$5 copay x 2)
One urgent care visit	\$250 x 1	\$250	\$50 copay
Total expenses	\$1,360	\$1,110	\$655
Matt's Paycheck & Out-of-Pocket Costs:			
Annual paycheck deductions		\$504	\$1,449
Deductible amount paid by Matt		\$1,110	\$500
Other costs paid by Matt*		\$0	\$155
Annual Partnership-provided HSA Contribution		-\$1000	N/A
Matt's Total Cost		\$614	\$2,104

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

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