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 Matt

- He gets his annual wellness exam and uses in-network doctors. He has a pretty smooth year.
- Matt is single, in good health and doesn't use tobacco. He doesn't have any dependents. So he will elect Employee Only coverage.
  - Get his annual wellness exam;
  - 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 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.

	Cost of Care	CDHP	PPO
Annual Deductible (Individual)		$3,750	$1,250
Out-of-Pocket Maximum (Individual)		$4,500	$4,000
Annual Medical Expenses:			
One annual wellness exam	*$250 x 1*	$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	$80 *($40 copay x 2)*
Two 31-day, generic retail drugs	*$30 x 2*	$60	$14 *($7 copay x 2)*
One urgent care visit	*$250 x 1*	$250	$50 *copay*
Total expenses	***$1,360***	**$1,110**	**$669**
Matt's Paycheck & Out-of-Pocket Costs:			
Annual paycheck deductions		$810	$1,900
Deductible amount paid by Matt		$1,110	$500
Other costs paid by Matt*		$0	$169
Annual Partnership-provided contributions		($1,000)	N/A
Matt's Total Cost		**$920**	**$2,569**

**Includes 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, his savings are much greater with the CDHP! Matt could also save even more by making his own HSA contribution and lowering his taxable income.