

### Example 10 – Family with Few Medical Expenses

This example shows you how much a family 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 Sanjay

- Sanjay and his wife have two kids. The family is generally in good health and he and his wife don't use tobacco.
- They get their annual physicals, use in-network doctors, and except for a few expensive medications, they have a pretty smooth year.
- Let's pretend that they will need to:
  - Get their annual physicals and the kids get their immunizations;
  - Go to the primary care doctor eight times during the year for allergies and colds; and,
  - Go to the primary care doctor once other illnesses; and,
  - Fill quite a few prescriptions at the pharmacy and several through mail order.

The amounts shown are estimates for Sanjay's care under the plans. The numbers are for illustration purposes only. Please note everyone's annual physicals and the kid's immunizations were routine preventive care. So the plan covered them at 100% (shown as \$0 on the chart). All other amounts show Sanjay's out-of-pocket costs and assume they used in-network providers.

|                                                                                                                                    | Cost of Care                | Gold                                                                            | Silver                                                                                                       | Bronze         |
|------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|---------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|----------------|
| Annual Deductible (Individual)                                                                                                     |                             | \$300                                                                           | N/A                                                                                                          | \$4,500        |
| Annual Deductible (Family)                                                                                                         |                             | \$600                                                                           | \$3,300                                                                                                      | \$9,000        |
| Out-of-Pocket Maximum (Individual)                                                                                                 |                             | \$4,000                                                                         | \$7,000                                                                                                      | \$7,000        |
| Out-of-Pocket Maximum (Family)                                                                                                     |                             | \$8,000                                                                         | \$11,000                                                                                                     | \$14,000       |
| <b>Annual Medical Expenses:</b>                                                                                                    |                             |                                                                                 |                                                                                                              |                |
| Four annual physicals                                                                                                              | \$125 x 4                   | \$0 (covered 100%)                                                              |                                                                                                              |                |
| Eight primary care doctor visits (two for each family member)                                                                      | \$125 x 8                   | \$160<br>( <i>\$20 copay x 8</i> )                                              | \$1,000                                                                                                      | \$1,000        |
| Sixteen generic retail prescriptions (four for each family member)                                                                 | \$25 x #                    | \$160<br>( <i>\$10 min copay x 16</i> )                                         | \$400                                                                                                        | \$400          |
| Two preferred brand retail prescriptions (30-day supply) & three preferred brand mail order prescriptions (90-day supply) (Sanjay) | \$275 x 2<br>+<br>\$400 x 3 | \$110<br>( <i>20% coinsurance</i> )<br>+<br>\$240<br>( <i>20% coinsurance</i> ) | \$1,750                                                                                                      | \$1,750        |
| One primary care doctor visit (Sanjay's wife)                                                                                      | \$125 x 1                   | \$20<br>( <i>\$20 copay</i> )                                                   | \$125                                                                                                        | \$125          |
| Lab tests (Sanjay's wife)                                                                                                          | \$75 x 1                    | \$75                                                                            | \$35<br><b>Family Deductible Met</b><br>( <i>\$25 toward deductible, 20% coinsurance on remaining \$50</i> ) | \$75           |
| Two generic retail prescriptions & three generic mail order prescriptions (Sanjay's wife)                                          | \$25 x 2<br>+<br>\$70 x 3   | \$20<br>( <i>\$10 copay x 2</i> )<br>+<br>\$60<br>( <i>\$20 copay x 3</i> )     | \$52<br>( <i>20% coinsurance</i> )                                                                           | \$260          |
| <b>Total expenses</b>                                                                                                              | <b>\$4,110</b>              | <b>\$845</b>                                                                    | <b>\$3,362</b>                                                                                               | <b>\$3,610</b> |
| <b>Sanjay's Paycheck &amp; Out-of-Pocket Costs:</b>                                                                                |                             |                                                                                 |                                                                                                              |                |
| Annual paycheck deductions                                                                                                         |                             | \$12,303                                                                        | \$5,524                                                                                                      | \$3,018        |
| Deductible amount paid by Sanjay                                                                                                   |                             | \$75                                                                            | \$3,300                                                                                                      | \$3,610        |
| Other costs paid by Sanjay*                                                                                                        |                             | \$770                                                                           | \$62                                                                                                         | \$0            |
| Annual Company-provided Contributions                                                                                              |                             | N/A                                                                             | (\$1,000)                                                                                                    | (\$1,000)      |
| <b>Sanjay's Total Cost</b>                                                                                                         |                             | <b>\$13,148</b>                                                                 | <b>\$7,886</b>                                                                                               | <b>\$5,628</b> |

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

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