

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	\$3,400	\$9,000
Out-of-Pocket Maximum (Individual)		\$4,000	\$7,000	\$7,000
Out-of-Pocket Maximum (Family)		\$8,000	\$11,000	\$14,000
Annual Medical Expenses:				
Four annual physicals	\$125 x 4	\$0 (covered 100%)		
Eight primary care doctor visits (two for each family member)	\$125 x 8	\$160 <i>(\$20 copay x 8)</i>	\$1,000	\$1,000
Sixteen generic retail prescriptions (four for each family member)	\$25 x #	\$160 <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 + \$400 x 3	\$110 <i>(20% coinsurance)</i> + \$240 <i>(20% coinsurance)</i>	\$1,750	\$1,750
One primary care doctor visit (Sanjay's wife)	\$125 x 1	\$20 <i>(\$20 copay)</i>	\$125	\$125
Lab tests (Sanjay's wife)	\$75 x 1	\$75	\$75	\$75
Two generic retail prescriptions & three generic mail order prescriptions (Sanjay's wife)	\$25 x 2 + \$70 x 3	\$20 <i>(\$10 copay x 2)</i> + \$60 <i>(\$20 copay x 3)</i>	\$92 Deductible Met <i>(\$50 toward deductible 20% coinsurance applies on remaining \$210)</i>	\$260
Total expenses	\$4,110	\$845	\$3,442	\$3,610
Sanjay's Paycheck & Out-of-Pocket Costs:				
Annual paycheck deductions		\$12,373	\$5,536	\$3,003
Deductible amount paid by Sanjay		\$75	\$3,400	\$3,610
Other costs paid by Sanjay*		\$770	\$42	\$0
Annual Company-provided Contributions		N/A	(\$1,000)	(\$1,000)
Sanjay's Total Cost		\$13,218	\$7,978	\$5,613

*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!**