Example 7 – Employee with Child(ren) with Few Medical Expenses

This example shows you how much a person with a child(ren) 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 Nicole

- Nicole has three kids. She and her kids are in good health and she doesn't use tobacco.
- They get their annual physicals, use in-network doctors, and have a pretty smooth year.
- Let's pretend that they will need to:
  - Get their annual physicals and the kids get their immunizations;
  - Take the kids to the primary care doctor eight times during the year; and,
  - Fill several prescriptions at the pharmacy and a few through mail order.

The amounts shown are estimates for Nicole'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 Nicole'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	*$125 x 8*	$160 *($20 copay x 8)*	$1,000	$1,000
Ten generic retail prescriptions (30-day supply)	*$25 x 10*	$100 *($10 copay x 10)*	$250	$250
One non-preferred brand mail order prescription filled four times (90-day supply)	*$375 x 4*	$450 *(30% coinsurance)*	$1,500	$1,500
One generic retail prescription (30-day supply) & refilled twice by mail order (90-day supply)	$25 x 1 + $70 x 2	$10 *copay* + $50 *($20 copay x 2)*	$25 + $140	$25 + $140
Total expenses	***$3,415***	**$770**	**$2,915**	**$2,915**
Nicole's Paycheck & Out-of-Pocket Costs:				
Annual paycheck deductions		$7,161	$3,673	$2,197
Deductible amount paid by Nicole		$0	$2,915	$2,915
Other costs paid by Nicole*		$770	$0	$0
Annual Company-provided Contributions		N/A	($1,000)	($1,000)
Nicole's Total Cost		**$7,931**	**$5,588**	**$4,112**

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

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

Remember, this is an example with estimated paycheck deductions and cost of care. Your actual costs will vary.