Example 3 – Single Employee with Major Medical Expenses

This example shows you how much a single person with major 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 Bill

- Bill is single. He doesn't smoke and gets his annual physical.
- He uses in-network doctors, but he's had a tough year.
- Let's pretend that he will need to:
  - Get his annual physical;
  - Go to the primary care doctor six times;
  - Visit a specialist six times;
  - Get three rounds of lab work;
  - Go to the ER twice because of his health condition;
  - Visit the hospital for inpatient surgery;
  - Visit a physical therapist eight times; and,
    - Fill three generic prescriptions at the pharmacy and two more generic prescriptions through home delivery.

The amounts shown are estimates for Bill's care under the plans. The numbers are for illustration purposes only. Please note Bill's annual physical was routine preventive care. So the plan covered his physical at 100% (shown as $0 on the chart). All other amounts show Bill's out-of-pocket costs and assume he used in-network providers.

	Cost of Care	Gold	Silver	Bronze
Annual Deductible (Individual)		$300	$1,700	$4,500
Out-of-Pocket Maximum (Individual)		$4,000	$7,000	$7,000
Annual Medical Expenses:				
One annual physical	*$125 x 1*	$0 (covered 100%)		
Six primary care doctor visits	*$125 x 6*	$750 *($20 copay x 6)*	$600	$600
Three generic retail prescriptions (30-day supply)	*$25 x 3*	$30 *($10 min copay x 3)*	$75	$75
Six specialist doctor visits	*$200 x 6*	$240 *($40 copay x 6)*	$1,060 **Deductible Met** *($1,025 toward deductible 20% coinsurance on remaining $175)*	$1,200
Three rounds of lab work	*$75 x 3*	$150	$150	$150
Two visits to the ER	*$2,500 x 2*	$1,440 **Deductible Met** *($150 toward deductible, $200 copay for each visit, 20% coinsurance on remaining $4,450)*	$1,200 *($200 copay for each visit, 20% coinsurance on remaining $4,000)*	$3,108 **Deductible Met** *($2,025 toward deductible, $200 copay for each visit, 30% coinsurance on remaining $2,275)*
In-patient surgery & hospital stay	*$25,000*	$1,390 **Out-of-Pocket Met**	$3,915 **Out-of-Pocket Met**	$1,868 **Out-of-Pocket Met**
Eight physical therapy visits	*$115 x 8*	N/A	N/A	N/A
Two generic mail order prescriptions (90-day supply)	*$70 x 2*	N/A	N/A	N/A
Total expenses	***$32,810***	**$4,000**	**$7,000**	**$7,000**
Bill's Paycheck & Out-of-Pocket Costs:				
Annual paycheck deductions		$2,196	$578	$0
Deductible amount paid by Bill		$300	$1,700	$4,500
Other costs paid by Bill*		$3,700	$5,300	$2,500
Annual Company-provided Contributions		N/A	($500)	($500)
Bill's Total Cost		**$6,196**	**$7,078**	**$6,500**

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

To calculate Bill'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 Gold plan wins!**

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