

Do the Math for the PPO Plans

Often, the choice of medical plan comes down to the monthly premium. But there's more to what you pay for health care than just what comes out of your paycheck. These simple examples—based on premiums for Pay Band 2 (\$54,001–\$107,000)—illustrate that the lowest premium plan might not always result in the lowest cost overall. The right choice for you will depend on a variety of factors, including your health needs.

For a more personalized comparison, go to comparemyhsa.com/uc.

Example 1

For illustration purposes only.

Annual Salary: \$54,001–\$107,000

Coverage: Self only

Health needs: Low to moderate

	HSP	UC Care	CORE
Annual Premium	\$671	\$1,708	\$0
Annual Health Care Expenses:			
Doctors' office visits:			
▪ Preventive care: 1	\$0	\$0	\$0
▪ Minor illnesses: 2	2 @ \$80 \$160	2 @ \$20 (UC Select) \$40	2 @ \$80 \$160
Urgent care visit: 1	\$150	(Anthem Preferred) \$30	\$150
Prescriptions: 1 ongoing generic medication (mail service, 90-day supply)	4 fills @ \$25 \$100	4 fills @ \$10 \$40	4 fills @ \$25 \$100
Total Annual Health Care Expenses	\$410	\$110	\$410
HSA Reimbursement	-\$410	-\$0	-\$0
Total Annual Out-of-Pocket Expense (Including premium)	\$671	\$1,818	\$410
HSA Balance to Carryover	$\$500 - \$410 =$ \$90		

Example 2

For illustration purposes only.

Annual Salary: \$54,001-\$107,000

Coverage: Family

Health needs: High

	HSP	UC Care	CORE*
Annual Premium	\$2,045	\$5,748	\$0
Annual Health Care Expenses:			
Doctors' office visits:			
▪ Preventive care: 1	\$0	\$0	\$0
▪ Chronic illnesses: 10 (based on \$80 allowed amount)	10 @ \$80 \$800	10 @ \$20 (UC Select) \$200	10 @ \$80 \$800
ER visit: 1 (based on \$1,900 allowed amount)	\$1,900	\$200	\$1,900
Radiology (based on \$500 allowed amount)	20% coinsurance on \$500 because annual deductible is met \$100	UC Select copayment \$20	\$300 + 20% coinsurance on remaining \$200 because annual deductible is met \$340
Physical Therapy: 10 (based on \$75 allowed amount)	10 @ \$75 each x 20% coinsurance \$150	10 @ \$20 (UC Select) \$200	10 @ \$75 each x 20% coinsurance \$150
Prescriptions: 5 ongoing formulary generic medications (mail service, 90-day supply)	\$25 each x 4 fills x 5 prescriptions x 20% coinsurance \$100	\$10 each x 4 annual fills x 5 prescriptions \$200	\$25 each x 4 fills x 5 prescriptions x 20% coinsurance \$100
Total Annual Health Care Expenses	\$3,050	\$820	\$3,290
HSA Reimbursement	-\$1,000	-\$0	-\$0
Total Annual Out-of-Pocket Expense (Including premium)	\$4,095	\$6,568	\$3,290
HSA Balance to Carryover	\$0	\$0	\$0

*Example based on costs for one person. Each individual covered by CORE must meet a \$3,000 deductible before the plan pays benefits.

Consider This

- **HSP:** When you consider the lower premiums, plus UC's contribution to your Health Savings Account—which pays for your initial health care expenses—this could be the most cost-effective choice. Plus, if you make your own tax-deductible contributions to your Health Savings Account, you get an added tax break today, and you'll pay no taxes on the money in your account as long as it's used for eligible health care expenses. And the HSA is another tax-advantaged way to save for retirement.
- **UC Care:** Unless you have significant health care needs, the higher premium in exchange for lower out-of-pocket costs might not be the most cost-effective choice.
- **CORE:** It's hard to say no to free premiums, but this plan might not be the right choice for you if you'll need any care outside of preventive care. For a low-cost alternative, consider the HSP. UC contributes to an HSA, which could cover some—or even all—of your out-of-pocket health care costs. And any HSA funds you don't use for health care are yours to keep, always.