Anthony

Spouse is Tanya. Both in early 60s, working, no covered dependents

$$$** Available Funds **$$$ Health Care Use

Let's look at how the It's Your Choice Health Plan and It's Your Choice High Deductible Health Plan (HDHP) would work for Anthony and Tanya over the course of three years.

Year 1

	IYC Health Plan	IYC HDHP
Annual Premium	$2,630 *(Employer pays $20,200)*	$980 *(Employer pays $17,500)*
Health Savings Account (HSA) Annual Employer Contribution Anthony's Annual Contribution	None. Not eligible for HSA.	$1,500 $1,700
Primary Care Office Visits 2 Visits for Tanya	$30	$240 *Must pay the full office visit cost until the deductible is met*
Specialist Office Visits for Tanya 2 Visits to Spine Specialist	$50	$500
Preventive Care Adult Physicals	$0	$0
Prescription 1 Fill for Tanya 48 Fills for Anthony (4 maintenance medications)	$5 $240	$10 $720
Year 1 Total	**Anthony would pay $2,955** for his and Tanya's health care this year.	**Anthony would pay $2,680** in premiums and HSA contributions this year. He would also have **$1,730 HSA to carry over** for future health care expenses after paying for prescriptions and office visits.

Year 2

	IYC Health Plan	IYC HDHP
Annual Premium	$2,630 *(Employer pays $20,200)*	$980 *(Employer pays $17,500)*
Health Savings Account (HSA) Annual Employer Contribution Anthony's Annual Contribution Carryover Balance	None. Not eligible for HSA.	$1,500 $1,700 $1,730
Primary Care Office Visits 2 Visits for Anthony	$30	$240
Specialist Office Visits 2 Visits to Spine Specialist for Tanya	$50	$500
Preventive Care Adult Physicals	$0	$0
Prescription 48 Fills for Anthony (4 maintenance medications)	$240	$720
Anthony has a Heart Attack Total Cost: $68,850 Ambulance: $1,000 Emergency Room: $3,200 Surgery: $53,000 Hospitalization: $8,800 2 Stress Tests: $350 Echocardiogram: $200 Cardiac Rehab: $2,300	$1,220 *After meeting the deductible, he is responsible for 10% of the remaining costs up to the OOPL of $1,250.* *Office visit copays and prescriptions do not count toward the deductible, but do count toward the OOPL.*	$3,540 *After meeting the family deductible, he is responsible for 10% of the remaining cost, up to the full family HDHP OOPL of $5,000.*
Year 2 Totals	**Anthony would pay $4,120** for his and Tanya's health care this year.	Anthony would pay $2,680 in premiums and HSA contributions this year. He would use all funds in his HSA ($4,930), plus pay an extra $70 out-of-pocket to cover health care costs this year. **He'd pay a total of $2,750** out-of-pocket for health care this year. He has no money left in his HSA.

Year 3

	IYC Health Plan	IYC HDHP
Annual Premium	$2,630 *(Employer pays $20,200)*	$980 *(Employer pays $17,500)*
Health Savings Account (HSA) Employer Contribution Anthony's Annual Contribution Carryover Balance	None. Not eligible for HSA.	 $1,500 $1,700 $0
Primary Care Office Visits 1 Visit for Anthony	$15	$120
Specialist Office Visits 6 Cardiac Specialist Visits for Anthony 2 Visits to Spine Specialist for Tanya	 $150 $50	 $1,500 $500
Preventive Care Adult Physicals	$0	$0
Prescription 1 Fill for Tanya 48 Fills for Anthony (4 maintenance medications)	 $5 $240	 $10 $720
Tanya Injures Her Back Total Cost: $1,340 Urgent Care & X-ray: $600 Physical Therapy: $680 Pain Medication (x4 Fills): $60	$359 *After meeting the individual deductible, he is responsible for 10% of the remaining costs up to the OOPL of $1,250.*	$269 *After meeting the family deductible, he is responsible for 10% of the remaining cost, up to the full family HDHP OOPL of $5,000.*
Year 3 Totals	**Anthony would pay $3,350** for his and Tanya's health care this year.	Anthony would pay $2,680 in premiums and HSA contributions this year. He would use all funds in his HSA ($3,200), plus pay an additional $499 out-of-pocket to cover health care this year. **He would pay a total of $3,179** out-of-pocket for health care this year. He has no money left in his HSA.

Total Over 3 Years

IYC Health Plan	Anthony would pay **$10,425** for his and Tanya's health care over 3 years.
IYC HDHP	Anthony would pay **$8,609** for his and Tanya's health care over 3 years. He would have **$0 in his HSA** for their future medical expenses. By contributing to his HSA with pre-tax dollars, he saved 30% in taxes or **$1,275**. Tax savings may vary.

What Anthony chose…

Anthony chose the It's Your Choice Health Plan because he and Tanya need many health care services.

As you can see, even with multiple significant unplanned expenses, Anthony would still have saved money with the It's Your Choice High Deductible Health Plan (HDHP).

One thing to remember with the Health Savings Account (HSA) is that funds aren't available until they are deposited. Your employer's contributions are deposited evenly throughout the year, so you won't receive the entire amount until the end of the year. Most employees also make monthly contributions, but may also deposit additional money at any time. Thus, if you have a large medical expense, you can contribute money -- even after you incur the expense to reimburse yourself.

While building up your HSA funds, make sure you have extra money on hand for unexpected health care expenses. A good rule of thumb is to have enough to cover the deductible. For a family that would be $3,000.

With the HDHP, Anthony added $1,700 to his HSA each year in addition to his employer's contribution. Anthony's contribution is roughly the difference between the annual premium for the HDHP and the IYC Health Plan. There is a limit to how much can be added to an HSA in a given year: $6,900 for a family plan. This limit includes both his and his employer's contributions.

Food for Thought…

Because Anthony is taking monthly maintenance medications, he could lower his prescription costs by receiving a 90-day supply of medication or using the mail order pharmacy. See our eLearning on *Pharmacy Benefits - Saving on your Prescriptions* for these and other cost-saving tips.

!

Note: The case study presented here is an example of health care expenses incurred by a fictitious member of our program. Your situation is unique; thoroughly evaluate all of your needs before selecting a plan design option.