

Selecting a Medical Plan

Ask Yourself

- What is my budget and the cost of coverage, including payroll deductions?
- What kind of healthcare needs do my dependents and I have?
- How much do I spend each year on out-of-pocket medical expenses?
- What types of prescription drugs do my dependents and I need?

PPO

- Highest paycheck cost
- Pay more upfront out of your paycheck before usage begins

HDHP with HSA

- Lowest paycheck cost
- Eligible to open HSA
- Save on taxes with HSA
- Contributions, earnings, and distributions are tax free (except for state tax income purposes in CA and NJ)
- Use the HSA for qualified healthcare expenses, save it for future expenses or invest it for retirement. Expenses can be for yourself, your spouse and eligible dependents
- Portable. You own the HSA account — take it with you wherever you go
- No use-it-or-lose it rule. Unused funds never expire, and money carries over to next year

Plan Comparison Example: Single Coverage

****Employer HSA
Contribution for 2024:
\$1,500 Individual**

Put money into your
HSA to pay for
eligible expenses
tax-free!

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Low Utilization (network services)	UHC HDHP + HSA	UHC PPO 1500
Utilization Assumptions		
• PCP Visits: 3	• 20%/visit*(example:\$150)	• \$15/visit
• Tier 1 Rx: 4	• \$10/Rx*	• \$5/Rx
• Tier 3 Rx: 2	• \$70/Rx*	• \$65/Rx
Annual Paycheck Cost	\$0	\$0
Out-of-Pocket Cost of Services	\$630	\$195
Your Annual Cost	\$630*	\$195

High Utilization (network services)	HDHP + HSA	PPO
Annual Paycheck Cost	\$0	\$0
Out-of-Pocket Cost of Services (reach plan out-of-pocket max)	\$3,500	\$4,500
Your Annual Cost	\$3,500*	\$4,500

* after deductible

Plan Comparison Example: Family Coverage

****Employer HSA
Contribution for 2024:
\$2,500 Family**

Put money into your
HSA to pay for
eligible expenses
tax-free!

Put money into your
HSA to pay for
eligible expenses
tax-free!

Low Utilization (network services)	UHC HDHP + HSA	UHC PPO 1500
Utilization Assumptions		
<ul style="list-style-type: none">• PCP Visits: 9• Tier 1 Rx: 6• Tier 3 Rx: 4	<ul style="list-style-type: none">• 20%/visit*(example: \$150)• \$10/Rx*• \$70/Rx*	<ul style="list-style-type: none">• \$15/visit• \$5/Rx• \$65/Rx
Annual Paycheck Cost	\$8,946.36	\$11,833.32
Out-of-Pocket Cost of Services	\$1,690	\$425
Your Annual Cost	\$10,636.36*	\$12,258.32

High Utilization (network services)	HDHP + HSA	PPO
Annual Paycheck Cost	\$8,946.36	\$11,833.32
Out-of-Pocket Cost of Services (reach plan out-of-pocket max)	\$7,000	\$9,000
Your Annual Cost	\$15,946.36*	\$20,833.32

* after deductible

Key Takeaways

- **Do the math!** Review the health care needs for yourself and your covered dependents, determine your budget, including what it costs out of your paycheck, to select the plan that fits your needs
- Both medical plans cover preventive care at 100% with no copays or deductible
- Don't miss out on the tax advantages with an HSA
 - Save for retirement! Contributions to the HSA, up to the annual IRS limit, is tax free
 - Use your HSA to pay for eligible expenses tax free
 - Savings in your account grow tax free

NOTE: State taxes may apply in CA and NJ