

Which Health Plan is Right For You?

This enrollment season, you will have many choices to make about your benefits. One of the choices is what type of medical plan to select—a High Deductible Health Plan (HDHP) or a traditional PPO. In order to make an educated decision about which type of plan to select for you and your family, you need to weigh the **facts** and your **personal circumstances**.
Let's start with reviewing the facts about the two plan types.

TRADITIONAL PPO

- A traditional PPO plan has higher premiums (the amount you pay from your paycheck), but the amount you pay at the doctor for a routine visit or for a prescription is a set copay amount.
- A PPO does have a deductible, but it is usually lower than the deductible on a HDHP. After you meet your deductible, your insurer starts paying a larger portion of charges, called coinsurance.
- Not all medical services have a copay. Some expenses you will pay for or pay a portion of until you reach your deductible. These include, but are not limited to: hospitalization and surgery, lab costs, MRIs, CAT scans, and physical therapy.

HDHP

- An HDHP is a health insurance plan with lower premiums but a higher deductible.
- On an HDHP, you pay the entire amount for service until you have met your deductible. After you meet your deductible, your insurer starts paying a larger portion of charges, called coinsurance.
- An HDHP may allow you to have a HSA (health savings account). This is a type of account into which you can contribute money on pre-tax basis to be used for approved medical expenses. You can put the premium savings from choosing an HDHP instead of a PPO into your HSA.
- An HDHP puts you in the driver seat. Since you are paying out of pocket for most services, you will want to make more educated decisions about where to go for care. You should stay in your providers network to get the best rates for service, and use online tools to compare costs for services and prescriptions.



Preventative care is covered at 100% on BOTH Plans. Preventative care includes your annual physical, well-woman, well-baby and well-child exams, mammography and colonoscopy screenings, blood pressure and cholesterol testing.

One last thing. Consider the benefits of a health savings account (HSA). By contributing to a health savings account, you lower your taxable income, reducing the amount you pay in taxes each year. The money in these accounts can be used to pay for eligible medical expenses.

An HSA rolls over from year to year, letting the funds accumulate all the way into retirement. Your account stays with you even if you change jobs.

If you choose to have an HDHP, you may want to consider putting some of the money you save on monthly premiums into an HSA, so that you have a balance to pull from when you have a doctors visit or an unplanned medical need.

