

Example 7 – Employee Covering Children, Low Medical and Rx Expenses

This example shows how much an employee covering children with low medical and Rx expenses * will pay for care under each plan. When deciding which 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 from your paycheck.

Meet David

David covers his three kids. They use in-network doctors and pharmacies and everyone is in good health. It's been a pretty smooth year.

Let's pretend that they will need to:

- Get their annual physicals;
- Go to the doctor several times;
- Get allergy testing; and,
- Fill several generic prescriptions.

All of the annual physicals were routine preventive care, so G6 covered 100% of the cost (shown as \$0 on the chart below). All other amounts show David's out-of-pocket costs and assume he used in-network providers.

	Cost of Care	Value Plan	Classic Plan
Individual Annual Deductible		\$4,000	\$1,500
Family Annual Deductible		\$12,000	\$4,500
Individual Out-of-Pocket Maximum		\$6,000	\$4,000
Family Out-of-Pocket Maximum		\$12,000	\$8,000
Annual Medical Expenses:			
Four annual physicals	\$300 x 4	\$0 (G6 pays 100%)	\$0 (G6 pays 100%)
Seven primary care doctor's visits One for David Two for each of his kids	\$150 x 7	\$1,050	\$210 (\$30 co-pay x 7)
One, generic mail order prescription, filled four times One for David One for each of his kids	\$45 x 1 x 4	Filled through Preventive Therapy Drug List	\$100 (\$25 co-pay x 4)
One Preventive Therapy Drug List mail order prescription, filled four times One for David One for each of his kids	\$45 x 1 x 4	\$100 x (\$25 co-pay x 4)	Preventive Therapy Drug List Does Not Apply to Classic Plan
One round of allergy testing for David's son	\$525 x 1	\$525	\$525
One generic retail prescription drug for David's son	\$15 x 1	Filled through Preventive Therapy Drug List	\$10 (\$10 co-pay x 1)
One Preventive Therapy Drug List prescription drug for David's son	\$15 x 1	\$10 (\$10 co-pay x 1)	Preventive Therapy Drug List Does Not Apply to Classic Plan
One generic mail order prescription drug, filled twice, for David's son	\$45 x 1 x 2	Filled through Preventive Therapy Drug List	\$50 (\$25 co-pay x 2)
One Preventive Therapy Drug List mail order prescription drug, filled twice, for David's son	\$45 x 1 x 2	\$50 x (\$25 co-pay x 2)	Preventive Therapy Drug List Does Not Apply to Classic Plan
Total expenses	\$3,060	\$1,735	\$895

David's Paycheck and Out-of-Pocket Costs:			
Annual paycheck costs		\$3,380	\$6,916
Deductible amount paid by David		\$1,735	\$525
Other costs paid by David**		\$0	\$370
David's Total Costs		\$5,115	\$7,811

To calculate David's total cost, we added his annual out-of-pocket expenses (deductible + coinsurance and/or co-payments + annual paycheck deductions based on the max incentive rates). As you can see, the Value Plan is the winner for David.

** Note: The Real-Life Examples were created to help employees understand how the plans pay for care differently. The full medical and prescription drug costs shown are illustrative and for educational purposes only. Your medical and prescription drugs costs will vary depending on a number of factors such as your doctor's negotiated rates, Rx drug costs for your medication, where you receive care, etc.*

*** Includes co-pays, co-insurance and out-of-pocket costs after the deductible is met, if applicable.*