

### Example 8 – Employee Covering Children, Moderate Medical and Rx Expenses

This example shows how much an employee covering children with moderate 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 Lisa

Lisa covers her two sons. They use in-network doctors and pharmacies. This is the year of the sports injury in Lisa's house.

Let's pretend that they will need to:

- Get their annual physicals;
- Visit their primary care doctor and a specialist several times;
- Visit an urgent care clinic a few times;
- Get a few X-rays and an MRI;
- Go into the hospital for surgery;
- Visit a physical therapist during recovery; and,
- Fill several generic prescriptions.

All 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 Lisa's out-of-pocket costs and assume she used in-network providers.

	Cost of Care	Value Plan	Classic Plan
<b>Individual Annual Deductible</b>		\$4,000	\$1,500
<b>Family Annual Deductible</b>		\$12,000	\$4,500
<b>Individual Out-of-Pocket Maximum</b>		\$6,000	\$4,000
<b>Family Out-of-Pocket Maximum</b>		\$12,000	\$8,000
<b>Annual Medical Expenses:</b>			
<b>Four annual physicals</b>	\$300 x 4	\$0 (G6 pays 100%)	\$0 (G6 pays 100%)
<b>Two specialist visits for Lisa</b>	\$225 x 2	\$450	\$100 (\$50 co-pay x 2)
<b>One generic retail prescription, filled once, for Lisa</b>	\$15 x 1	Filled through Preventive Therapy Drug List	\$10 (\$10 co-pay x 1)
<b>One Preventive Therapy Drug List retail prescription, filled once, for Lisa</b>	\$15 x 1	10 (\$10 co-pay x 1)	Preventive Therapy Drug List Does Not Apply to Classic Plan
<b>One primary care doctor visit for her younger son</b>	\$150 x 1	\$150	\$30 (\$30 co-pay x 1)
<b>One generic mail order prescription, filled four times, for her younger son</b>	\$45 x 4	Filled through Preventive Therapy Drug List	\$100 (\$25 co-pay x 4)
<b>One Preventive Therapy Drug List mail order prescription, filled four times, for her younger son</b>	\$45 x 4	\$100 (\$25 co-pay x 4)	Preventive Therapy Drug List Does Not Apply to Classic Plan
<b>Four primary care doctor visits Two for each son</b>	\$150 x 4	\$600	\$120 (\$30 co-pay x 4)
<b>One generic retail prescription, filled four times Two for each son</b>	\$15 x 4	Filled through Preventive Therapy Drug List	\$40 (\$10 co-pay x 4)
<b>One Preventive Therapy Drug List retail prescription, filled four times Two for each son</b>	\$15 x 4	\$40 x (\$10 co-pay x 4)	Preventive Therapy Drug List Does Not Apply to Classic Plan
<b>Three trips to urgent care for her older son</b>	\$250 x 3	\$750	\$150 (\$50 co-pay x 3)

Two X-rays for her older son	\$400 x 2	\$800	\$800
One MRI for her older son	\$1,000 x 1	\$1,000	\$700 toward deductible PLUS \$60 (\$300 x 20% co-insurance) <b>Individual Deductible Met (Lisa's older son)</b>
Out patient surgery for her older son	\$7,000 x 1	\$1,130 toward deductible PLUS \$1,761 (\$5,870 x 30% co-insurance) <b>Individual Deductible Met (Lisa's older son)</b>	\$1,400 (\$7,000 x 20% co-insurance)
Two generic retail prescriptions for her older son	\$15 x 2	Filled through Preventive Therapy Drug List	\$20 (\$10 co-pay x 2)
Two Preventive Therapy Drug List retail prescriptions for her older son	\$15 x 2	\$20 x (\$10 co-pay x 2)	Preventive Therapy Drug List Does Not Apply to Classic Plan
Six physical therapy visits for her older son	\$130 x 6	\$234 (\$780 x 30% co-insurance)	\$156 (\$780 x 20% co-insurance)
<b>Total expenses</b>	<b>\$12,715</b>	<b>\$7,045</b>	<b>\$3,686</b>
<b>Lisa's Paycheck and Out-of-Pocket Costs:</b>			
Annual paycheck costs		\$3,380	\$6,916
Deductible amount paid by Lisa		\$5,030	\$1,500
Other costs paid by Lisa**		\$2,015	\$2,186
<b>Lisa's Total Costs</b>		<b>\$10,425</b>	<b>\$10,602</b>

To calculate Lisa's total cost, we added her 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 squeaks out the win over the Classic Plan for Lisa.

\* 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.