

Selecting the Plan That's Right for You

Here are some things to consider to help make the best choice for you and your family.

Your family status – Are you single with no dependents and rarely need to see a doctor, or are you the head of a large family with constant medical needs? Based on your family size and needs, you may be more inclined to choose a plan like the HSA plan simply so that you can save money normally spent on premiums and use that money for medical expenses only as needed. Or, you or a family member is expected to utilize more frequent primary care and you may prefer a plan that has more predictable out of pocket expenses.

Your spouse's coverage – Does your spouse have coverage from his or her employer? If so, you may want to compare that company's benefit plans to yours and see which plan provides you and your family with the best option for your situation.

Your health – Are you in good health? Do you expect to have a larger expense next year? Does someone in your family require frequent care? These are all things you should consider when choosing a plan that's right for you.

Your health care expenses - Do you have predictable medical expenses each year? What are they and which plan will help you meet your needs most easily and cost-effectively? Do you have any upcoming major health care expenses, such as a scheduled surgery? If you know what your health care expenses may look like this coming year, consider how each plan helps you pay for those expenses and pick the one that meets your needs.

Your preferences for using certain providers - Do you or any of your family members have a doctor or specialist you like or prefer to see? Maybe you have a doctor with whom you are comfortable and also knows you and your medical history.

Your financial situation – What is your current financial situation? What does it look like for the upcoming year? Consider your priorities. Is it more important for you to be able to spend less on medical coverage so that you have more money to save for other things? Or does it make more sense for your situation to pay ahead of time for medical care you know that you will likely need?

Your risk tolerance - Consider your comfort level with the potential expenses of each plan; does your peace of mind rest on having the lowest premiums taken out of each paycheck, or do you feel more secure when you have the lowest possible expenses when you seek care?

Examples to Help You Decide

The following examples use fictional employees of North Memorial. Each employee's situation is unique. These examples serve as a guide to help you decide which health plan is right for you and your family. Premiums included here and on the following pages are 2017 premiums. Please refer to the Plan Comparison Tool for an outline of the PreferredHealth HSA plan and the PreferredHealth Copay Plan.

Example #1 – Chris

Chris is 21 years old and single. He's worked for North Memorial in the emergency department for two years – his first "real" job after graduating. He's an avid runner and considers himself to be pretty healthy. The last time he visited a doctor was when he broke his arm in high school. When he's not at work, Chris likes spending time with friends and surfing the Web.

Chris knows that it's important to have some kind of health insurance "just in case", but he also needs money to pay his bills and save up for a new car. When it's time for him to choose a North Memorial health plan, he'll be thinking about...

- How much will I have to pay for coverage out of each paycheck?
- What will my total cost look like at the end of the year if I stay healthy?
- What kind of coverage will I have just in case I have big medical bills?

Here's what each of the health plans will look like for Chris:

	PreferredHealth HSA Plan with a Health Savings Account	Preferred Health Copay Plan
Chris enrolls in a North Memorial health plan and selects single coverage. He pays this much during the year in premiums....	Annual Premiums: \$38.98 x 24 paychecks = \$935.52	Annual Premiums: \$40.54 x 24 paychecks = \$972.96
At the end of the year, Chris will have no out-of-pocket costs. His total cost will for the premiums will be.....	Total Annual Costs: \$935.52 (premiums)	Total Annual Costs: \$972.96 (premiums)
....and he's saved money for next year's health care expenses.	North Memorial's HSA contribution: \$625 Team Member's HSA contribution: \$500 Total HSA Contributions: \$1,125 Because Chris participated in the HSA plan he was able to pay for his expenses with his HSA. Leaving him with \$1,125 in his HSA for future health care costs for next year.	Not applicable.

Example #2 – Luan

Luan is 35 years old and married with two young children. She has worked in Labor & Delivery for 12 years at North Memorial. Although her family is healthy, Luan was diagnosed with diabetes six months ago. Since then she's been struggling to make the changes she needs to manage her condition without medication.

Luan wants a health plan that helps her manage her diabetes and keeps her family healthy without "breaking the bank". When it's time for her to pick a North Memorial health plan, she'll be thinking about...

- How much will I have to pay for coverage out of each paycheck?
- What will I need to pay for my ongoing check-ups with my doctor? And what about medications?
- How can I get help making the lifestyle changes I need to avoid taking medication to manage my diabetes?
- What will my total cost look like at the end of the year?
- Will my husband and kids have enough coverage for their regular check-ups and immunizations?

Here's what each of the health plans will look like for Luan and her family:

	PreferredHealth HSA Plan with a Health Savings Account	PreferredHealth Copay Plan
Luan selects family coverage. Her annual premiums are...	Annual Premiums: \$188.39 x 24 paychecks = \$4,521.36	Annual Premiums: \$195.93 x 24 paychecks = \$4,702.32
Luan has 3 regular office visits, lab tests, a visit to a podiatrist, a diabetic eye exam and a visit to a nutritionist. The total cost of care is \$790.	Out of Pocket Cost: The total cost of her care is \$790. This will be applied towards her deductible.	Out of Pocket Cost: \$150 in copays for her 6 office visits. Luan's lab tests are covered 100%
At the end of the year, Luan's total cost is...	Total Annual Cost: \$4,521.36 (Premiums) + \$790 (out-of-pocket costs) = \$5311.66	Total Annual Cost: \$4,702.32 (Premiums) + \$150 (Copays) = \$4,852.32
AND she has money available for next year's health care expenses in her HSA	North Memorial's HSA Contribution: \$1,400 Because Luan participated in the HSA plan she was able to pay for her expenses with her HSA. Leaving her with \$390 in her HSA for future health care costs.	Not Applicable

Example #3 – Derek

Derek is 42 years old and a single father with a teenage son. He has worked in Radiology at North Memorial for six months. Although he and his son are trying to eat right and stay active, Derek has diabetes. His doctor has prescribed him Humalog to help control his diabetes.

Derek wants a health plan that covers his medication within his tight budget. When it's time for him to pick a North Memorial health plan, he'll be thinking about...

- How much will I have to pay for coverage out of each paycheck?
- Should I choose the PreferredHealth HSA plan or the PreferredHealth Copay plan?
- How much will I have to pay when I get my prescription filled?
- What will my total cost look like at the end of the year?

Here's a comparison of what Derek would pay for his prescription when he uses the North Memorial Employee Pharmacy on either the PreferredHealth HSA plan or the PreferredHealth Copay plan.

	PreferredHealth HSA Plan with a Health Savings Account	PreferredHealth Copay Plan
Derek enrolls in family coverage. He pays this much during the year in premiums ...	Annual Premiums: \$188.39 x 24 paychecks = \$4,521.36	Annual Premiums: \$195.93 x 24 paychecks = \$4,702.32
North Memorial Employee Pharmacy (30-day supply)	Full cost of the Rx, \$793, toward his deductible Preventive Rx (Prednisone): \$0	\$30 formulary brand copay. <i>This copay will not go towards his deductible but will apply to his annual out of pocket maximum.</i>
At the end of the year, Derek's total cost is...	Total Annual Costs: \$4,521.36 (premiums) + \$793 (cost of the Rx) = \$5,314.36	Total Annual Costs: \$4,702.32 (premiums) + \$30 copay = \$4,732.32
....and he's saved money for next year's health care expenses.	North Memorial's HSA contribution: \$1,400 Because Derek participated in the HSA plan he was able to pay for his Rx with his HSA. Leaving him with \$607 in his HSA for future health care costs.	Not applicable.

Keep in Mind...

- The North Memorial Pharmacy in Robbinsdale and in Maple Grove at the Medical Office Building will charge the lesser of the actual cost of a prescription or the copay amount for each health plan.
- If you choose the HSA health plan, you will pay the full cost of your prescriptions until you've met your deductible.
- You may be able to save time and money by filling your prescription for maintenance medication through mail order. Call the North Memorial Pharmacy for more information.

Example #4 - Karen

Karen is 57 years old and is married with grown children. She has worked in oncology at North Memorial for nine years. Karen and her husband travel frequently and are currently working on remodeling a new home. Although they have been relatively healthy in the past, Karen has developed high blood pressure that she has been maintaining with diet and exercise. Karen's husband is a smoker but has been trying to quit for the last two years.

Karen wants a health plan that offers her peace of mind should she or her husband require more care in the coming years. She also wants a plan that provides support for her husband in his efforts to stop smoking and rewards her for managing her blood pressure without medication. When it's time for Karen to pick a North Memorial health plan, she'll be thinking about...

- How much will I have to pay for coverage out of each paycheck?
- Does the plan support me in managing my high blood pressure without medication and my husband's efforts to stop smoking?
- What's the most I would pay if my husband or I needed significant medical care?
- What will my total cost look like at the end of the year?

Here's what each of the health plans will look like for Karen and her husband:

	PreferredHealth HSA Plan with a Health Savings Account	PreferredHealth Copay Plan
Karen selects single + 1 coverage. Her annual premiums are...	Annual Premiums: \$103.94 x 24 paychecks = \$2,494.56 Annual Premium	Annual Premiums: \$108.10 x 24 paychecks = \$2,594.40
Karen's husband has a heart attack and requires surgery and hospitalization. The total cost of his services is \$60,000. Karen pays...	Out of Pocket Cost: The total cost of his care is \$3,000 (deductible)	Out of Pocket Cost: \$1,300 to satisfy the deductible. After that, his care is covered at 100%.
At the end of the year, Paula's total cost is...	Total Annual Cost: \$2,494.56 (Premiums) + \$3,000 (out-of-pocket cost) = \$5,494.56	Total Annual Cost: \$2,594.40 (Premiums) + \$1,300 = \$4,894.40
AND she has money available for next year's health care expenses in her HSA	North Memorial's HSA Contribution: \$1,275 Team Member's HSA Contribution: \$2,000 Total Contributions: \$3,275 Because Karen participated in the HSA plan she was able to pay for her husband's expenses with her HSA. Leaving her with \$275 in her HSA for future health care costs.	Not Applicable

Example #5 - Paula

Paula, age 33, is married with one preschool daughter and is expecting a new baby in the summer. She has worked in Nutrition Services at North Memorial for six years. Paula and her husband have their hands full with tending to their daughter's scraped knees and attending her tea parties on top of redecorating the nursery.

Paula wants a health plan that offers her affordable coverage for her pregnancy in addition to the occasional urgent care visit for her daughter. When it's time for Paula to pick a North Memorial health plan, she'll be thinking about...

- How much will I have to pay for coverage out of each paycheck?
- What will I need to pay for prenatal care and the birth of our child?
- Will my husband and children have enough coverage for regular check-ups and immunizations?
- What will my total cost look like at the end of the year?

Here's what each of the health plans will look like for Paula and her family:

	PreferredHealth HSA Plan with a Health Savings Account	PreferredHealth Copay Plan
Paula selects family coverage. Her annual premiums are...	Annual Premiums: \$188.39 x 24 paychecks = \$4,521.36 Annual Premium	Annual Premiums: \$195.93 x 24 paychecks = \$4,702.32
Paula delivers her baby at a North Memorial facility with no complications. The total cost of her care is \$8,500. She pays...	Out of Pocket Cost: The total cost of her care is \$3,000 (family deductible). <i>On the HSA Plan Paula does not have individual protection and she reached the family deductible.</i>	Out of Pocket Cost: \$1,300 to satisfy her individual deductible. After that, her care is covered at 100%. <i>Even though Paula is enrolled in family coverage the copay plan offers protection on an individual level for the deductible and out of pocket maximum.</i>
At the end of the year, Paula's total cost is...	Total Annual Cost: \$4,521.36 (Premiums) + \$3,000 (out-of-pocket cost) = \$7,521.36	Total Annual Cost: \$4,702.32 (Premiums) + \$1,300 = \$6,002.32
AND she has money available for next year's health care expenses in her HSA	North Memorial's HSA Contribution: \$1,400 Team Member's HSA Contribution: \$2,500 Total Contributions: \$3,900 Because Paula participated in the HSA plan she was able to pay for her expenses with her HSA. Leaving her with \$900 in her HSA for future health care costs.	Not Applicable