HealthEquity®

Think high-deductible health plans (HDHP) cost too much? Not so fast!

On the right are three different spending scenarios that show how an HDHP paired with a Health Savings Account (HSA) can help you save money. Savings can add up fast, especially when you consider insurance premiums and potential employer HSA contributions. Remember, these are only examples. So be sure to review your plan details carefully.*

Defining key terms

Premiums. The amount you pay per year to have health insurance.

Deductible. The amount you must pay before your insurance kicks in.

Coinsurance. The percentage of healthcare expenses you may need to pay after your deductible.

HSA employer contribution. The amount your employer may put into your HSA just for choosing an HDHP.

Compare your net costs.

To find net costs for your health plan options, simply add premium costs + expenses. Then subtract the employer HSA contribution (if available). Where healthcare expenses exceed your deductible, you may need to add coinsurance too. You can find it by calculating 20% of expenses after your deductible.

How much will you save?

In each scenario, the HDHP gives you $1,000 premium savings plus $1,000 free money with the employer HSA contribution. So, the HDHP saves $2,000 before we even consider healthcare expenses. This is why the HDHP is so appealing for folks like Low-spender Larry and Mid-spender Maria. HDHPs bring the potential for significant savings. But even for High-spender Hayden, the HDHP is essentially breakeven.

Bottom line: Look beyond deductibles. Consider premium costs. And see if an employer HSA contribution is available.

Learn more at HealthEquity.com



Low-spender Larry

$500 est. healthcare expenses

	Traditional health plan	High-deductible health plan
Premium costs	$3,000	$2,000
Deductible	$1,000	$3,500
Out-of-pocket costs (20% coinsurance)	$0	$0
HSA employer contribution	$0	$1,000
Net cost	**$3,500**	**$1,500**



Mid-spender Maria

$3,000 est. healthcare expenses

	Traditional health plan	High-deductible health plan
Premium costs	$3,000	$2,000
Deductible	$1,000	$3,500
Out-of-pocket costs (20% coinsurance)	$400	$0
HSA employer contribution	$0	$1,000
Net cost	**$4,400**	**$4,000**



High-spender Hayden

$6,000 est. healthcare expenses

	Traditional health plan	High-deductible health plan
Premium costs	$3,000	$2,000
Deductible	$1,000	$3,500
Out-of-pocket costs (20% coinsurance)	$1,000	$500
HSA employer contribution	$0	$1,000
Net cost	**$5,000**	**$5,000**

*The examples used are for illustrative purposes only.

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