

Why High Deductible Health Plans (HDHPs) are Smart!

High Deductible Health Plans (such as our HSA Max plan) are the future of health care. These plans offer catastrophic coverage for your financial protection, low paycheck deductions, and the ability to pair them with pre-tax Health Savings Accounts (HSAs). This allows you to take the savings from lower premium costs and to put them in your HSA.

Let's look at an example comparing the MATRIX HSA Max (HDHP) versus the MATRIX POS Plan:

HSA Max annual premiums (Single):	\$ 5,092.08
POS annual premiums (Single):	\$ 8,457.24
Annual Difference:	\$ 3,365.16
HSA Max deductible (Single):	\$ 3,000.00

Using the above example, an employee can take the \$3,365.16 savings in premiums and put them into an HSA. That will pay for her HSA Max deductible, while at the same time giving her a savings of 25%-40% (depending on her tax bracket) on those HSA contributions.

Now let's take a look at how the coverage compares between our HSA Max and POS Plans:

	HSA Max	POS
Annual Premium	\$ 5,092.08	\$ 8,457.24
Deductible	\$ 3,000.00	\$ 2,000.00
Total Cost Annually (Premium+Deductible)	\$ 8,092.08	\$ 10,457.24

You can see that HSA Max has that advantage, as well. The most you will pay on HSA Max in any given year is \$8,092.08 (including premiums+deductible). The most you will pay for POS is \$10,457.24

How does a Health Savings Account (HSA) work?

The first step is enrolling in an HSA-qualified Plan (such as HSA Max). Once you've done this, you can open an HSA with the provider of your choice or take advantage of our integrated HSA with Cigna. If you take advantage of the integrated Cigna HSA, you can use pre-tax payroll deductions to fund your HSA account. If you need to go to the doctor, you will present your Cigna insurance card at the time of the visit. Claims can be paid with the HSA debit card that will be provided to you, which is loaded with your HSA balance, and can be swiped at the time of your doctor's visit or prescription purchase.

Any unspent money rolls over from year to year and can be taken with you if you change jobs, etc. If your HSA balance accrues interest or gains in the market, those earnings are also tax-free!

Testimonials from High Deductible Health Plan (HSA Max) users:

“I’ll admit I was a little scared to leave my traditional POS and those nice, low co-pays that I’d become used to. But my financial adviser explained to me that my paycheck deductions, which I’m guaranteed to pay, were so much higher on the POS vs. the High Deductible Health Plan. In fact, the difference in premiums was greater than the actual deductible on this Plan. I only went to the doctor 5 or 6 times last year, and one of those visits was preventative so it was covered in full. I didn’t even reach my deductible, so I was able to pocket the difference. You can even pay for your doctors’ visits and prescriptions pre-tax in an HSA, which means even more savings. Bottom line is you save on your deductions, but pay more when you use the Plan – but not nearly enough to equal what you would be paying on your deductions on POS.”

“I have had a High Deductible Health Plan for three years. The premiums were a lot less and it achieved my purpose of covering me in case of catastrophic illness. I just had a physical and even with my \$3,000 deductible and \$5,000 out-of-pocket, it is 100% covered (no co-pay, no deductible). This is because it’s preventative. In the meantime, I have saved over \$9,000 tax-free in my HSA! I can use this any time for medical expenses, or continue to invest and hopefully earn over time.”