

Demystifying High Deductible Health Plans

Webinar Tips

- There is a media player widget, where you can see me and hear me.
- Audio is played through your computer.
- You may pause and come back at any time.
- Resource links are located within the console, including slides and speakers notes!
- Technical issues? Email ON24 at audience.support@on24.com
- Questions about GEHA benefits? Email webinars@geha.com or call [800.262.4342](tel:800.262.4342)

How much time do Americans spend shopping for ...

- **Television:** two hours
- **Computer:** four hours
- **Vacation:** five hours
- **New car:** 10 hours



How much time do Americans spend researching health insurance?

15 minutes

About 100 Years Ago



I'm sure many of you know me because you've seen me on the Today show. The truth is I started there when I looked like this. And since Katie Couric looked like this. For more than 25 years now, I've been watching how we make our money, save it, spend it, borrow it, invest it and protect it. And I can tell that you the relationships many individuals have with money are still a hot mess.

That, to me, is interesting. Because if you take a look at the stock market – which, despite COVID, continues to surf at or near record highs – you'd think we would be feeling a whole lot better than that.



So why is it still so hard? Because we often just don't take the time we need to do our research and become informed.

That's what we're going to do today.

More expensive than it has to be?

- **46%** of Americans choose the most expensive insurance available
- **60%** of Americans say they have more coverage than they need
- **\$19,000**: The difference between the lowest cost family plan and the highest cost family plan in the FEHB program

Health Plans Defined

- **HMO:** Provides a network of doctors and hospitals that you can access for care that the insurer will pay (or help pay) for.
- **PPO:** Provides more freedom to go out-of-network. You may or may not need to choose a PCP. Referrals to see specialists generally not required.
- **HDHP:** Can be an HMO or PPO. Has a greater out-of-pocket cost before benefits kick in. Because of that, premiums are typically lower. May enable you to open a Health Savings Account (HSA).

High deductible health plan



Low premium health plan

Health Plan Costs

Premium

noun

/ˈprēmēəm/

The amount you pay for your health insurance each month.

Deductible

noun

/dəˈdɛktəb(ə)l/

The amount you pay for health care before insurance begins to pay.

Striking the Right Balance

- **Higher premium** = lower out of pocket costs
- **Lower premium** = higher out of pocket costs

So, who should consider an HDHP during this year's Open Season?

Everyone!

- A wide range of age groups are now choosing HDHPs
- From young and healthy individuals to empty nesters wanting an extra way to save for retirement

Consider a different policy if ...

- You have a chronic condition like diabetes, asthma
- You see specialists frequently
- You make frequent trips to the emergency room
- You have a history of hospitalizations
- You are planning to have a baby
- You have small children who see doctors frequently
- You are planning to have a surgery in the next year
- You take expensive/brand-name medications regularly

Health Savings Accounts (HSAs)

A type of savings account that lets you set aside money on a pre-tax basis to pay for qualified medical expenses.

Benefits:

- May be able to lower overall health care costs
- Rolls over year to year
- May earn interest or other earnings, which are not taxable
- Only available with an HDHP

More about Health Savings Accounts (HSAs)

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2022



\$3,650 for self-only coverage



\$7,300 for family coverage

HSA Triple Tax Advantage

1. Tax-free contributions lower your federal taxable income.

2. Tax-free interest is earned in your account.

3. Tax-free withdrawals for qualified medical expenses.

The Power of Investing in Your HSA

Contribution	1 year	5 years	15 years	25 years
<p>\$900 saved per year¹ You save and invest all of your \$900 GEHA contribution.</p>	\$900	\$5,250	\$21,000	\$52,000
<p>\$3,650 saved per year¹ You save all of your \$900 GEHA contribution and invest an additional \$2,750 of your own money for the \$3,650 plan year max.</p>	\$3,650	\$21,800	\$90,000	\$212,271

¹ Assumes 6% return (source: HSA bank)

GEHAs HDHP

- A comprehensive medical plan with all the benefits of our traditional plans (FFS/PPO).
- Access care at more than 2.7 million in-network provider locations and more than 9,300 hospitals worldwide.
- Access to a rewards program, a variety of savings opportunities and wellness resources.
- Pairs with a health savings account (HSA) or a health reimbursement arrangement (HRA).



GEHA's 2022 HDHP: Single Enrollment

Description	Private Sector	GEHA's HDHP
Deductible	\$2,800	\$1,500
Plan contribution	\$600	\$900
Net-deductible	\$2,200	\$600
After deductible, plan pays	80%	95%
Dental	No	100% twice yearly
Vision	No	Yes
Wellness incentive	None	\$250 yearly



GEHA's HDHP deductible contribution

Plan type	GEHA contribution	Your net deductible
\$1,500 HDHP deductible - Self only	\$900	\$600
\$3,000 HDHP deductible - Self Plus One and Self and Family	\$1,800	\$1,200

Learn more

- Call a GEHA Benefits Adviser at [800.262.4342](tel:800.262.4342)
- Schedule an appointment with a GEHA Benefits Adviser at geha.com/Meet
- Visit geha.com/HDHP

Consult Consumers Checkbook

The screenshot shows the top navigation bar of the Consumers' Checkbook website. On the left is the logo "CONSUMERS' CHECKBOOK" with a red checkmark. To its right is the text "Guide to Health Plans For Federal Employees". On the far right of the navigation bar are two buttons: "SIGN IN" and "SUBSCRIBE". Below the navigation bar is a main heading: "Pre-Order the 2022 Guide to Health Plans for Federal Employees (Available 11/08/21)". Underneath this heading is the instruction "Select your product:". Below this instruction are four product options, each with an icon and text: 1. An icon of a computer monitor and a smartphone, with the text "PRE-ORDER ONLINE ACCESS". 2. An icon of a document, with the text "PRE-ORDER THE PRINT GUIDE". 3. An icon of a computer monitor and a smartphone, with the text "PRE-ORDER ONLINE ACCESS AND PRINT GUIDE". 4. An icon of a government building dome, with the text "SEE IF YOUR AGENCY PROVIDES ACCESS".

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