

HDHP 101

# Getting the most out of your High Deductible Health Plan (HDHP)

Understanding an HDHP, and its attached Health Savings Account (HSA) can help you decide if it's the right plan for you and your family.

## Before you meet your deductible, you're on the hook for costs

A deductible is the dollar amount you will have to spend on your own for healthcare expenses (think doctor visits or prescriptions) before your plan shares any costs with you.

**For example only:** If your deductible is \$2,000, you'll need to spend that much out of your own pocket, aka "meet your deductible," before your plan will pay anything toward your care.

## But your plan comes with a savings account to help you out

While the high deductible may seem daunting at the beginning of the year, you'll be able to open a Health Savings Account (HSA) to help pay for your medical expenses—and gain some tax and investment advantages, too! Learn more about HSAs on the other side of this page.

### IS A HIGH DEDUCTIBLE HEALTH PLAN RIGHT FOR ME?

Only you can really know if a health plan is right for you. Here are a few things to consider as you choose any plan:

- Are you comfortable paying your full deductible before your plan shares any costs with you?
- Do you and/or your family make frequent visits to providers for care (like picking up monthly prescriptions, seeing multiple doctors per year, etc)?
- Do you currently want to save up for potential future medical expenses (like family planning, ambulance rides, surgery, etc)?



## Understanding your Health Savings Accounts (HSA)

A Health Savings Account helps you pay for your healthcare. You, and possibly your employer, will make pre-tax contributions to the account each paycheck. Then, you can use that money on healthcare costs (like prescriptions, doctor's visits, and a lot more!) throughout the year.

### HOW HSAs WORK

- An HSA is managed through an HSA administrator—like a bank, or IRS-approved company like Health Equity.
- Your contribution amount is deposited throughout the plan year. So, if you choose to contribute \$500, that will be deposited incrementally.
  - Be sure to check if your employer will also make contributions or match your contribution!
- Funds carry over if you don't use them, so the money in your account is always yours and stick with you, even if you leave your employer
- You might be able to invest your HSA funds if you don't use them for medical care. Talk to your HSA administrator about them.

### GETTING HELP WITH YOUR HSA

- Your Health Savings Account administrator is best equipped to answer any questions you have about your HSA. Don't know their number? Reach out to a Member Advocate at Collective Health and we can help.