High Deductible Health Plan (HDHP) with a Health Savings Account (HSA)

We are introducing this new option in order to offer employees more choices, allowing you to select a plan that is best for you and your family.

Some of the key features of the HDHP/HSA option:

- Opportunity for additional tax savings with an HSA
- Employee pays all medical expenses until deductible is met*

What is a High Deductible Health Plan (HDHP)?

The HDHP works differently than the one traditional co-pay plans. With the HDHP, you pay all medical expenses until the deductible is met.* Once the deductible is met, services are subject to coinsurance up to the out-of-pocket maximum.

The HDHP accesses the same network as any other plans.

What is a Health Savings Account (HSA)?

An HSA is a bank account, similar to a personal savings account. The funds in the account are used to pay for qualified healthcare expenses such as the first dollar medical expenses mentioned above. YOU own the account - the money deposited into the account is not taxed, and you control the money.

If you don't need the funds right away, you can save for future healthcare expenses. If you leave the company, you keep your account. You are only eligible to open an HSA if you are on the HDHP plan. You cannot be enrolled in an FSA on your spouse's plan.

Who funds the HSA?

We encourage you to contribute your own pre-tax dollars through payroll deduction. The advantage of contributing your own funds is that you get a "Triple Tax Savings"– because all contributions to your HSA are 100% tax free, any HSA interest earnings are tax free, and any money withdrawn for qualified expenses is tax free.

What's Next?

Stay tuned for more information! Communications will continue through October and into open enrollment.

Memorial Medical Center

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* Preventive healthcare costs are paid 100% by the plan, in compliance with PPACA. 100% coverage applies to Network providers only.