

# Choosing the right medical plan



Don't just focus on monthly rate or annual deductible to select your plan. The right plan will properly **balance cost and coverage** to meet your family's needs. Considering both the total cost and what benefits you'll need will help you make the wisest choice for your family.

## TOTAL COST OF HEALTH PLANS

Consider these four things when choosing the right medical plan:

- 1. Your expected healthcare costs for the upcoming year.**
  - Office visits.
  - Prescription drugs.
  - Upcoming surgeries and/or hospitalizations.
- 2. The deductible.** The deductible is the amount you pay out of pocket before your plan's coinsurance kicks in. Lower deductible plans cost more, so one way to reduce your insurance rate is to move to a higher deductible plan.
  - How much would you save on your monthly rate if you moved to a higher deductible plan?
  - Would you be able to set aside those savings to help pay for the higher deductible?
  - Setting aside funds for your deductible can put you ahead at the end of the year. If you don't meet your deductible — and most don't — you'll have money left over at the end of the year from the funds set aside.
- 3. The coinsurance.** The coinsurance is the amount your plan pays for eligible services once you've met your deductible. Generally, this number is 70% or 80% for providers in your PPO network. Once you meet your annual coinsurance maximum, the plan pays 100% for all eligible services.

- Are you likely to meet or exceed your deductible amount?
- If you do, how much will your portion of the coinsurance cost you?

- 4. The annual cost of coverage.** To determine a plan's annual cost, multiply the monthly rate by 12. This is the cost to have the plan, not to use it.

## MORE THAN JUST BENEFITS

With GuideStone as your health insurance provider, you benefit from:

- More advocacy and ministry counsel
- More help with healthcare reform and regulations
- More affordable and flexible plan options
- More purchasing power as one of thousands
- More access to one-on-one service

You can find your 2012 rates for medical, dental term life and disability plans on the 2012 Medical Plan Election sheet in your Re-enrollment Packet. If you haven't received your Re-enrollment Package in the mail, please give us a call.

## GLOSSARY OF INSURANCE TERMS

Learn about deductibles, coinsurance, copays, out-of-pocket maximums, and other terms that may help you better understand insurance alphabet soup.

[GO TO GLOSSARY »](#)



*Do well. Do right.®*

Review last year's medical expenses and rate costs to help you choose a plan that works for your situation, balancing both cost and coverage. On the next page, you will find a worksheet to guide you through the process.



# Determining the total cost of a medical plan worksheet



The plan being analyzed:
Monthly rate: \$ _____
Deductible: \$ _____
Copay: \$ _____
Out-of-pocket maximum: \$ _____
Your portion of coinsurance: _____ %
Out-of-pocket maximum plus deductible: \$ _____
<b>First, estimate your health care costs for next year: If you are currently in one of GuideStone's PPO plans, visit <a href="http://www.highmarkbcbs.com">www.highmarkbcbs.com</a> for a summary of your current health care spending.</b>
Estimated number of office visits: _____
Multiply by the plan's copay: _____
Total cost for office visits: \$ _____ (A)
<b>Next, calculate any coinsurance costs:</b>
Estimated healthcare costs (hospitalization, outpatient services and screenings) \$ _____ (1)
Deductible of the plan you're considering: \$ _____ (2) <ul style="list-style-type: none"> <li>If estimated costs are smaller than the deductible, skip (3) and (4). Enter estimated costs from (1) into (B), then move to (C).</li> <li>If estimated costs are larger than the deductible, subtract the deductible from your costs (1 minus 2): \$ _____ (3)</li> </ul>
Write in your portion of the plan's coinsurance: _____ %
Multiply the difference by your portion of the plan's coinsurance, then add the deductible (3 x 4 + 2).
Do not enter more than the out-of-pocket maximum plus deductible: \$ _____ (B)
<b>Now enter your estimated cost of prescriptions:</b>
(Multiply your number of prescriptions by the applicable prescription drug copay amount): \$ _____ (C)
Your Total Cost to use this plan (A + B + C): \$ _____ (D)
Annual Cost of Plan (multiply your monthly rate x 12): \$ _____ (E)
Total Estimated Out-of-pocket Cost for This Health Plan (D + E): \$ _____