

# Is the new HDHP Value plan right for you?



Navigating health care plans can often feel like a daunting task — and sifting through benefit features, deductibles, premiums and more is enough to make anyone’s head spin! How do you easily identify a plan that best matches both your health and financial needs?

A surprisingly simple solution to consider is the new high deductible health plan offered by MIIP — the HDHP Value plan — and pair it with a health savings account (HSA).

To determine if an HDHP and HSA are a good fit for you, let’s review a few key basics.

## What is a high-deductible health plan (HDHP)?

HDHPs are health insurance plans with higher deductibles than traditional plans. This means you’ll pay for the full cost of most of your medical expenses before your insurance kicks in.

An HDHP typically covers 100 percent of your **ACA preventive care services**, like vaccinations and annual check-ups, when seen by an in-network provider.

## What is a health savings account (HSA)?

A **health savings account** is a powerful savings tool that complements your HDHP, enabling you to set aside pre-tax funds and grow those dollars tax-free. For future qualified medical costs, an HSA provides three valuable tax-saving advantages:

1. The dollars you contribute to your HSA are tax-deductible.
2. You can choose to invest the money in your HSA where it can grow tax-free.
3. If you experience a health emergency and funds are needed, withdrawals for qualified medical expenses can be made tax-free.

The HSA tax-savings trifecta makes for smart financial planning. And when paired with the added flexibility that an HDHP provides, the combo is an effective way to manage your health care costs efficiently.

### Did you know?

An HDHP and HSA can be a smart financial option for many individuals, not just the healthy, wealthy and young as you may have previously thought. HDHPs do take more work to manage, but in return they provide significant flexibility, savings and financial perks.

## Unlock the full potential of your HDHP and HSA

When it comes to managing health care expenses, HSAs can be used to cover a wide range of medical costs, including health care services that count towards your deductible, prescription medications and even certain over-the-counter items. To leverage your plan's full potential, familiarize yourself with what qualifies as a **qualified medical expense**.

It's equally important to think ahead with your HDHP and HSA savings and spending. The following tips will help you keep costs on track:

- **Plan ahead.** Use Wellmark [cost estimate tools](#) to plan for services or provider visits you may need in the future.
- **Make sure you're covered.** Use the Wellmark [find a provider](#) tool to check that the doctors you visit and services you schedule are covered by your plan.
- **Review costs annually.** Life circumstances can change, so it's essential your coverage shifts to meet your needs.
- **Stay informed.** To learn more about your HDHP and HSA options, ask your HR/benefits administrator for additional helpful resources.

Paying for care up-front comes with a benefit: Lower monthly premiums. Plus, any money you set aside in an HSA can be done pre-tax, allowing you to plan ahead and grow your savings.

Managing your health care can be complex, but with the right knowledge and resources, you can make informed decisions that benefit both your health and your wallet.

If you're interested in learning more about MIIP's HDHP Value plan, and your employer's HSA plan, check out the resources available to you through your employer.