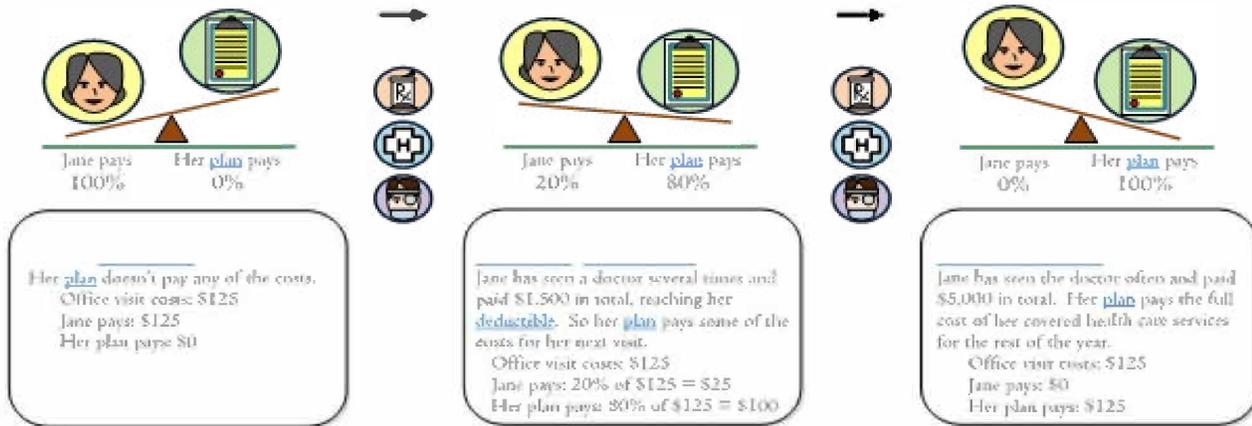


# How To Choose A Health Care Plan



Once a year, we make decisions about the health coverage we want for the next 12 months. Instead of immediately choosing the one with the lowest price, we have an opportunity to look at our health care needs for the next year and make an informed decision.

Health care benefit plans are mostly priced based on when a plan starts paying. For example, a plan with a higher deductible generally costs less than one with a lower deductible because you are paying up front before the plan starts paying. The same applies to copays, the fixed amount you pay for each service or visit like at a doctor's office, and to coinsurance which is the percentage "share" you pay once you meet your deductible.

If you and your family are generally healthy and only go to the doctor for annual routine checkups, you may be better off with a higher deductible plan. The money you save each month on premiums can be saved and used to pay for doctor visits and prescription drugs when you do use them.

If you choose a benefit plan that is considered a High Deductible Health Plan (HDHP), you may also be able to set up a Health Savings Account (HSA) and deduct your contributions from your income taxes. You can then use the money for eligible health expenses for you and your family or leave it in the HSA and let it grow on a tax favored basis.

If you and your family go to the doctor on a regular basis or if you know you are going to have additional

medical expenses in the coming year, it may be financially advantageous to choose a plan with a lower deductible and copays for doctor visits and prescription drugs.

The premiums you pay each month may be deducted before income taxes if your practice has a Section 125 Plan in place. If you are not sure, ask your office manager if your deductions are "pre-tax."

The quick answer is that there is no quick answer. Start by estimating what you think your health care expenses will be for the next 12 months. Then look at each plan's deductible, copays and coinsurance and consider how much premium you will pay for each plan option. If the premiums are more than you expect to pay out of your pocket, it may make better financial sense to go with a higher deductible plan and pay for services when and if you use them instead of paying higher premiums each and every month.

The most important thing to remember is that everyone has different needs and family situations. With a little research and planning, you can determine which plan makes sense for you and your family. ☞

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