

KNOW YOUR BENEFITS

Is the USA Consumer Plan (HDHP) right for you?

Enrolling in the USA Consumer Plan (HDHP) offers lower premiums and the ability to use pre-tax dollars for out-of-pocket expenses. However, these benefits come with a trade-off: a higher deductible and increased out-of-pocket costs. While HDHPs are becoming more popular, they may not be the best choice for everyone. If you're considering the USA Consumer Plan (HDHP) keep these tips in mind to help you and your family make an informed decision.

Here are some specific tips to help you make an informed decision about enrolling in the USA Consumer Plan (HDHP)

- 1. Assess Your Health Needs:** Consider how often you and your family need medical care. If you rarely visit the doctor, the USA Consumer Plan (HDHP) may save you money with its lower premiums.
- 2. Evaluate Financial Readiness:** Ensure you can afford the higher deductible and out-of-pocket costs. It's crucial to have enough savings to cover these expenses if needed.
- 3. Utilize the HSA spending account:** If you enroll in the USA Consumer Plan (HDHP), you can open an HSA to save pre-tax dollars for medical expenses. This can help offset the higher out-of-pocket costs. USA will contribute \$200 if you are enrolled in employee only coverage and \$400 if you are enrolled in family coverage to your HSA for coverage beginning January 1, 2025.
- 4. Compare Total Costs:** Look beyond the premiums. Calculate the total potential costs, including deductibles, co-pays, and out-of-pocket maximums, to see if the USA Consumer Plan (HDHP) is truly cost-effective for you.
- 5. Medical Plan Comparison Tool:** Before enrolling in a medical plan, we highly recommend using the medical plan comparison tool to ensure you choose the best plan for your needs. Visit www.southalabama.edu/jagopenenrollment during Open Enrollment (October 14 - 25) to utilize the comparison tool. The tool will ask a few questions about your and your family's medical and pharmacy usage, as well as any upcoming medical procedures. Based on your answers, it will recommend the most suitable plan for you and your family.