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4 Tips to Save on Health Care Expenses

Once again, health care costs are expected to rise this year. However, there are ways that you can reduce your spending. Consider these four tips:

1. **Brush up on your health plan knowledge.** Knowing what your health plan does and doesn't cover is critical for reducing your spending. Understanding terms such as deductible, coinsurance and copayment can help you better understand what you will pay out-of-pocket.
2. **Stay in network.** With health plans, your health insurance company partners with select providers to lower care costs. You won't have these discounts if you go elsewhere (out of network).
3. **Focus on prevention.** Significant savings can be achieved when preventive care services like physical examinations, screenings and immunizations are combined with a healthy lifestyle.
4. **Ask questions.** Don't be afraid to ask your primary care physician questions about comparable procedures or services that are more affordable but still effective. Additionally, ask your doctor or pharmacist about comparable or alternative medications.

If you have questions about your health plan, reach out to HR.

Midyear Qualifying Events

Navigating your employee benefits can feel overwhelming, especially when life throws changes your way. Fortunately, if you are under a cafeteria plan (also known as a Section 125 plan), your employer may allow you to adjust your benefits outside the annual open enrollment period. Employers don't have to allow all midyear election changes, only those allowed under the Health Insurance Portability and Accountability Act's special enrollment rights. Understanding midyear qualifying events and other considerations for midyear changes is important.

The IRS identifies the following "change in status" events that may allow you to make alterations to your benefit elections during the plan year:

- Change in employee's legal marital status
- Change in the number of dependents
- Change in employment status
- Change in dependent status
- Change in place of residence

Contact HR to learn more about midyear qualifying events.

What's a Deductible?

Your health insurance deductible is a set amount you must pay before your insurance company starts to share the cost for covered medical expenses. Essentially, it represents your initial financial responsibility before insurance helps cover the financial burden of medical care. Understanding your out-of-pocket health insurance costs can help you manage your annual medical expenses and improve your health literacy.

Finding the health care plan with the right deductible for you will vary depending on your health and financial circumstances. For example, if you are healthy, don't need much medical care and prefer lower monthly premiums, a higher deductible health plan may be right for you. Alternatively, a health care plan with a lower deductible may be a better choice if you expect high medical costs for the year and prefer more comprehensive coverage. You can often select your deductible when signing up for health insurance.

Contact HR for more information.