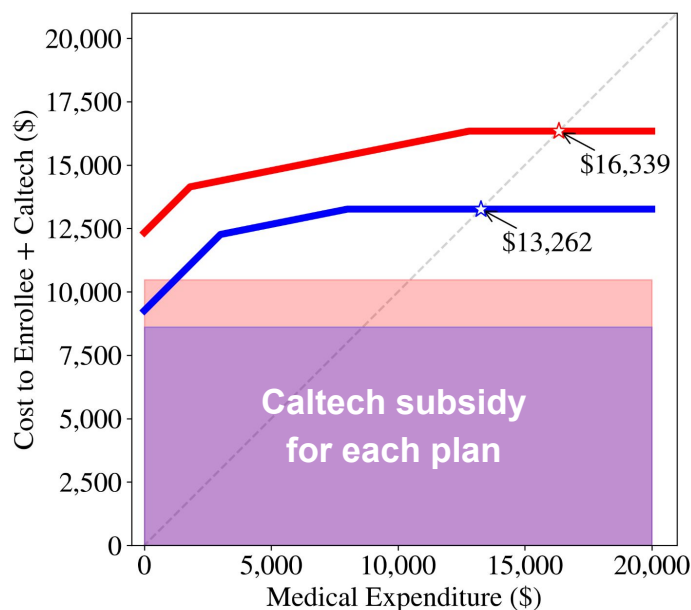
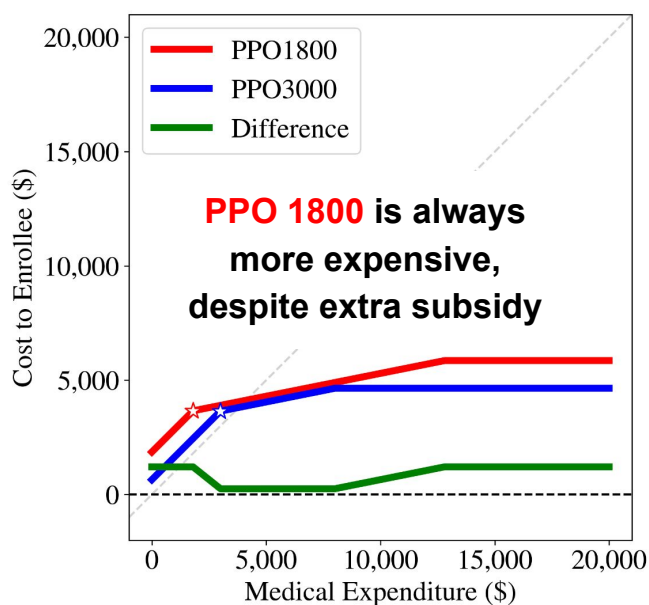


Cost Analysis of Caltech and JPL Staff Health Insurance PPO Plans Reveals a Nonsensical Choice for All

A direct cost comparison of two PPO health insurance plans for Caltech and JPL staff reveals that one plan imposes a yearly financial penalty over the other for both Caltech (\$1,865.28 per enrollee) and its employees (up to \$957). This comparison reveals a pernicious cost extraction mechanism concealed as an illusion of choice by Anthem, which covered only 45% of charged claims in 2021.

Plan name	Premium (enrollee share)	Deductible	Coverage In/Out of Network	Out of Pocket Maximum (OOPM)	Caltech subsidy to total cost of premium
Anthem PPO 1800	\$1,860	\$1,800	In: 80%, Out: 60%	\$4,000	\$10,478.88
Anthem PPO 3000	\$648	\$3,000	In: 80%, Out: 60%	\$4,000	\$8,613.60



Savings (PPO 3000 over PPO 1800) due to tax-deductible nature of premiums

Income range	Tax	Min	Max
0 - \$10,275	10%	\$150	\$1110
\$10,276 - \$41,775	12%	\$109	\$1069
\$41,776 - \$89,075	22%	-\$3	\$957
\$89,076 - \$170,050	24%	-\$36	\$924
\$170,051 - \$215,950	32%	-\$126	\$834
\$215,951 - \$539,900	35%	-\$169	\$791
\$539,901+	37%	-\$194	\$766

Potential savings outweigh potential costs across all income levels, despite the fact that Caltech subsidizes the more expensive plan (**PPO 1800**) by an additional \$1,865.28 per enrollee.

The following measures would lessen the degree to which Anthem is taking advantage of Caltech:

Cost analysis

1. Publish an annual cost comparison of all Caltech-offered staff PPO plans prior to offering them.
2. Include tax-deductible savings in the cost analysis.

Disclosure of disaggregated data

3. Disclose disaggregated plan enrollment statistics.
4. Disclose disaggregated claim data.

Caltech subsidies

5. Subsidize all plans equally.
6. Reimburse plan subsidies to staff members on healthcare plans not offered by Caltech (as long as minimum coverage requirements are met).

This is a summary. Read the full report online:

<https://sina.bio/2022/10/20/cost-analysis-of-healthcare-plans/>

