

FAQs | Employees

Employee Benefits Decision Support

WHO IS PICWELL?

Picwell offers a simple, yet innovative decision support tool that makes it fast and easy for you to choose the right employee benefits.

Your Top Picks

Based on your answers and the plans that you are eligible for, here are your top picks:

| BEST MATCH | GOOD MATCH | GOOD MATCH |
|---|--|--|
| Sycamore Health HDHP Est. Yearly Total: \$2,564 Premium: \$146/mo Out-of-Pocket: \$812 Deductible: \$2,600 Out-of-Pocket Max: \$4,500 VIEW PLAN | Sycamore Health HDHP Plan Est. Yearly Total: \$4,552 Premium: \$349/mo Out-of-Pocket: \$364 Deductible: \$0 Out-of-Pocket Max: \$2,500 VIEW PLAN | Sycamore Health HDHP Plan Est. Yearly Total: \$4,622 Premium: \$366/mo Out-of-Pocket: \$230 Deductible: \$0 Out-of-Pocket Max: \$1,750 VIEW PLAN |

HSA Money Saved
With all HSA eligible plans, your employer will contribute \$1,200 to your HSA. This may cover your Out-of-Pocket estimated expenses for the year! Hover over the purple asterisks to see how you'd save with your employer's HSA contribution.

About Your Plan Score
Your Plan Score (100 being the highest) indicates the value that each plan provides when accounting for plan characteristics, your risk preferences, and the predicted medical and/or prescription drug costs of "people like you".

HOW DOES PICWELL'S DECISION SUPPORT TOOL WORK?

Picwell combines big data, artificial intelligence and economic models to help you find the health insurance plan that's right for you. Here's how:

- ✚ We ask you some basic questions about yourself and your past medical care use.

- ✚ Once we've collected this information, our algorithms generate a personalized risk assessment for each health plan your employer offers, based on actual medical use of "people like you" from our database containing millions of people.
- ✚ Next, we ask you a couple of questions about your preference for risk protection versus cost savings, and our economic models incorporate that information into our recommendations.
- ✚ Finally, we give you a Picwell Score for each medical plan which denotes how closely that plan would meet your needs based on both personalized health risk predictions and your risk preferences.

BEST MATCH **HSA** **99**

Sycamore Health HDHP

Est. Yearly Total: **\$2,564**

↳ Premium: \$146/mo

↳ Out-of-Pocket: **\$812**

Deductible: \$2,600

Out-of-Pocket Max: \$4,500

[VIEW PLAN](#)

What DOES “PEOPLE LIKE YOU” MEAN?

“People like you” are those in our database that share personal characteristics and medical care needs with you. They are the same age and gender, have similar medical conditions, take the same prescription medications, and see the doctor with a similar degree of frequency. Because our pool of data is so vast, we’re able to make detailed comparisons between your situation and their previous health care use to help accurately predict the health plan that will best meet your needs.

WHAT INFORMATION DOES PICWELL NEED FROM ME?

Rest assured, Picwell respects your privacy and will never ask for personally identifiable information. Here’s what we do need to match you with the right health plan:

- + **Information about you and your family.** The age and gender of each household member covered will help us determine the general costs of each health plan.
- + **Household income.** Some types of health care expenses are tax deductible. We’ll use your income to determine what potential tax benefits you may qualify for based on the different health insurance plans available.
- + **Healthcare utilization over the last 12 months** We’ll use this data to further refine our predictions of the health care costs that you are likely to face next year. While health care needs can vary from year to year, knowing your past health care use

helps us provide more personalized and accurate recommendations.

- + **Prescription drugs.** The prescriptions you and your household members take regularly are another important predictor of your future health care spending.
- + **Risk tolerance.** When you pick a health insurance plan, you’ll usually need to consider the tradeoff between risk protection and cost savings. We’ll use your responses to a few scenarios to get a sense of how you feel about this tradeoff and then account for these preferences in your Picwell Score for each health plan.
- + **Ability to pay for unexpected medical care (e.g. having an emergency fund).** Health plans with higher deductibles, which require you to pay more up front before your health plan starts covering costs, can give you an opportunity to save money on premiums. Whether these plans are a good match for you depend on both the risk that you would incur a large medical bill and your ability to cover that expense. We’ll use this information to adjust scoring based on how likely each plan is to expose you to medical bills that you can’t afford.

WHAT IS THE PICWELL SCORE?

The Picwell Score is a metric that measures how well each health insurance plan matches your individual needs and preferences. The score balances plan premium and design with your health risk and preferences to assess each plan's value in relation to your needs. Instead of considering each of these factors separately, the score uses artificial intelligence and economic modeling to combine them into a single metric that you can use to compare plans.

HOW SHOULD I INTERPRET THE PICWELL SCORE AND WHAT DOES IT MEAN FOR ME?

The plan with the highest score is the one that best matches your responses. The next highest score is the second-best match and so on. If the top-rated plan has a score of 99 and the next best plan has a score of 95, those are both great matches for you. But, if another plan has a score of 60, that plan is less likely to be a good match based on your responses.

HOW DO YOU USE MY RESPONSES TO DETERMINE MY PICWELL SCORE?

To determine your Picwell score, we use your survey responses and very detailed health insurance models to calculate personalized risk assessments for each available health plan. We then adjust each risk assessment based on your risk preferences and financial constraints. Finally, we compare the preference-adjusted risk assessments to plan premiums to identify the value of each plan, which is then reflected in the Picwell Score. (To illustrate, your Picwell score is

determined through this process: Initial risk assessment → Adjusted assessment based on risk and financial constraints → Final comparison against available medical plan options.)

IS THE PICWELL SCORE THE BEST MATCH FOR ME OR THE BEST VALUE FOR ME?

Both! The way we calculate the score, these two concepts are the same. Your best match will be the plan that provides you with the greatest value according to our models. However, we encourage users to review all available options to make the right choice for their needs.

IS THE LOWEST PREMIUM PLAN ALWAYS GOING TO BE THE TOP RANKED PLAN?

While we often find that the plan with the lowest premium is the best option, this is not the case for everyone. In some instances, we recommend plans with higher premiums to people who have higher health risks or stronger preferences for risk protection. Even if someone is very healthy and willing to take on risk, we may still recommend a higher premium plan if the model calculates it as a better overall value.

IF I NEED A LOT OF MEDICAL CARE AND MY SCORE RECOMMENDS A HIGH DEDUCTIBLE PLAN, SHOULD I FOLLOW THE RECOMMENDATION?

This is a great question! We encourage users to evaluate the total cost of health care to make an apples-to-apples comparison. The total cost of health care is defined as the annual premium for a medical plan + your total medical expenses. In doing this

evaluation, you will likely discover that the combined cost of the lower premium high deductible health plan + your total medical expenses comes out lower than choosing the more expensive plan upfront. This often happens because the extra premiums that you would need to pay are so high that they more than offset any savings that you would realize when you use medical care.

HOW DOES THE PICWELL PLAN ACCOUNT FOR MY RISK PREFERENCES?

The answer to this question is simpler than you might think. If you respond that you prefer “more protection upfront”, the algorithm understands that you are “willing to pay for additional coverage”, which is then reflected in each plan’s Picwell score. However, this does not mean that the system will always recommend the plan with the most coverage to the people who are extremely risk averse. For example, some plans with more coverage can have very high premiums, potentially making them a poor overall value.

WHAT DO THE COLORED CIRCLES MEAN?


After our algorithm has processed your responses, we assign each plan available to one of three color tiers - green, yellow, or red. These colors indicate how well each health insurance plan matches your needs and preferences. Green plans are all likely to be good matches for you, yellow plans are less likely to be good matches, and red plans are not good matches based on your responses.

WHAT IS THE PICWELL TOTAL ESTIMATED COST?

The Total Estimated Cost is our estimate of the total cost of each health insurance plan after combining what you pay in premiums, the average out-of-pocket (OOP) medical costs for people like you, and any other factors that impact what you will pay, such as an employer Health Savings Account contribution that you can use to cover OOP medical expenses.

The Total Estimated Cost is an important value to consider when picking a health insurance plan, since it gives you a view of the total, average cost of each plan. With the Total Estimated Cost, you can get a sense of how much OOP you will be responsible for under each plan and see how that corresponds to the premiums that you will have to pay. Moreover, the Total Estimated Cost is one of the most influential factors that goes into the Picwell Score, and showing this information helps you better understand what the score means.

GOOD MATCH

96

Sycamore Health

300 PPO Plan

| | |
|-------------------|----------|
| Est. Yearly Total | \$4,552 |
| ↳ Premium | \$349/mo |
| ↳ Out-of-Pocket | \$364 |
| Deductible | \$0 |
| Out-of-Pocket Max | \$2,500 |

VIEW PLAN

WHY IS THE TOP RANKED PLAN NOT CHANGING WHEN I MODIFY MY SURVEY RESPONSES?

The survey questions that you answer can impact both your predicted costs and your Picwell Score for each plan. As you change your responses, you may see the estimated costs and scores changing while the rankings remain the same. This typically happens when one of the options available appears to be a particularly good deal relative to your other options. In these cases, modifying your risk preference might change the relative score of some plans (for example, if you change from a lower to a higher risk preference, a plan that offers more coverage might then have a higher score), but that won't change the fact that there is a clear best value available.

WHAT IF THE TOP RANKED PLAN NEVER CHANGES NO MATTER HOW I RESPOND?

Sometimes when we evaluate health plans, we see that there is one option that always has the highest score. Economists call this a Dominant Option, which means that regardless of the health care that you end up using, you will always be better off under a specific plan. This typically occurs when employees have the opportunity to enroll in a low-premium, high-deductible plan and their employer makes HSA contributions. If the combined premium savings + the employer HSA contribution is high enough, the higher deductible plan can end up being less expensive even in worst-case scenarios where you need a lot of high-cost medical care.

WHY DO MY OUT-OF-POCKET COST ESTIMATES LOOK HIGH?

Your out-of-pocket cost listed is the average cost that our algorithms estimate for people like you. When thinking about medical costs, remember that the average is different from the typical. For instance, suppose we look at medical costs for 10 people who all are the same age and gender and take the same prescriptions. We might see that 2 of these people spend \$500 on health care in a given year, 6 spend \$1,000, 1 spends \$3,000 and 1 spends \$8,000. In this example, the typical cost is \$1,000 (as more people spend this amount than any other), but the average cost is \$1,800. The average represents that some people like you spend more on medical care, even if that isn't the most likely outcome.

DOES THE PICWELL SCORE ACCOUNT FOR PROVIDER NETWORKS?

No. Because your insurer's preferred provider network can change often, we recommend reviewing their latest provider listings to see if your doctors are still in the network. For some, this will be an overriding factor to the plan score since they value their provider as much or more than the overall monetary value calculated in our score.

DOES PICWELL FAVOR CERTAIN PLANS OVER OTHER PLANS?

No, Picwell is 100% objective and solely focused on finding the ideal health plan for you – not your employer and not your insurance company.

IF A HEALTH INSURANCE PLAN IS ELIGIBLE FOR A HEALTH SAVINGS ACCOUNT, DOES THAT IMPACT THE PICWELL SCORE?

Yes. When a plan is HSA eligible, Picwell assumes that you will use an HSA to help pay for eligible out-of-pocket costs. Since HSA contributions are tax-free, using them to cover your medical expenses provides an additional benefit that we account for in the Picwell Score. For example, if you have a 22% marginal tax rate and you contribute \$1,000 to an HSA, that saves you \$220 in taxes, and we include that extra value in our calculations.

HOW MUCH SHOULD I CONTRIBUTE TO MY HSA?

In general, if you are enrolled in an HSA eligible plan, you should contribute as much as you can afford, up to the annual maximum, since the HSA offers several tax advantages that make it an excellent long-term savings vehicle. However, at the very least, Picwell recommends that if you are enrolled in an HSA eligible plan, you should contribute enough to cover the average out-of-pocket costs that we predict you will incur over the course of the year. This strategy makes it more likely that you'll have the funds on hand to cover the medical care you will need. And, as bonus, if you end up with extra funds at the end of the year, you get to keep that money to cover future medical expenses – including in retirement.

IF MY EMPLOYER MAKES AN HSA CONTRIBUTION, DOES PICWELL ACCOUNT FOR THAT?

Yes. If your employer makes an HSA contribution, Picwell includes that in the Picwell Score, Total Estimated Cost estimate, and your recommended HSA contribution. For example, if we predict that you will spend \$1,000 out-of-pocket, but your employer contributes \$500 to your HSA, we would use the employer contribution to offset the costs that you would incur by reducing the Total Estimated Cost estimate by this amount. We would also recommend that you personally save \$500 in your HSA account to make up for the estimated out-of-pocket costs that would not be covered by your employer's contribution. The lower costs are also reflected in the plan's Picwell Score.