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WEALTH MANAGEMENT



# MICROSOFT MONEY MOVES

YOUR MONTHLY GUIDE TO STRATEGIES FOR  
MAXIMIZING YOUR WEALTH AT MICROSOFT

## Maximizing Your Benefits: A Guide to Microsoft's Open Enrollment for 2025

With our endless to-do lists as we approach the holiday season, the open enrollment period always seems to arrive at the worst time and can be incredibly confusing. To help simplify this process, we've created this guide specifically for Microsoft employees, focusing on the most impactful open enrollment decisions to streamline your planning and ensure you make informed choices that are the best for your family.

The open enrollment period at Microsoft began November 5th, 2024, and is the only time of the year when you can make changes to your health care coverage. Here's what you need to know to navigate this period effectively.

### Understanding Your Options

Microsoft offers several health plans, each with unique benefits and costs. The primary plans include the Health Savings Plan, Health Connect Plan with Premera, the Kaiser Foundation Health Plan of Washington HMO Plan, and the new Surest Health Plan. While none of the plans have a monthly premium charge to you, there are deductible and out of pocket costs you can incur from your medical expenses, so it's important to choose the right plan for you.

- **Health Savings Plan (Premera):** This plan provides comprehensive medical coverage and the flexibility to see any provider you choose. **Given this flexibility, this is commonly the preferred choice for Microsoft employees.** While the annual deductible (how much you pay each year until the insurance kicks in) and max out of pocket (the most you'll have to pay yourself for medical expenses) are higher than some of the other plans, this tends to be more than offset by Microsoft's contribution to the Health Savings Account (HSA) and the triple tax advantage ([see our HSA article linked here](#)).

# Maximizing Your Benefits: A Guide to Microsoft's Open Enrollment for 2025

- **Health Connect Plan (Premera):** Available only in King and Snohomish county in Washington State, this plan offers the highest benefit coverage level when using providers in the Health Connect Network. It also includes a Primary Care Provider to coordinate your care.
- **Kaiser Foundation Health Plan of Washington HMO Plan:** This plan requires you to select a Kaiser Primary Care Provider who directs your care, including referrals to specialists. It generally covers only in-network care, so if you really love your Kaiser doctor that may be a deciding factor for you.
- **Surest Health Plan:** A new health plan option introduced for employees in all states except Hawaii. This plan has a \$0 deductible, though the catch is it comes with the potential of higher copayment expenses.

## Plan Comparison

Plan Name	Deductible	Out-of-Pocket Maximum	HSA Contribution
Health Savings Plan	\$1,750	\$2,750	\$1,000 (Level 40-49 and 59 and above) / \$1,750 (Level 30-39 and 50-58)
Health Connection Plan	\$0 in network \$1,000 extended/out	\$2,000	N/A
Kaiser HMO Plan	\$0	\$1,500	N/A
Surest Health Plan	\$0	\$2,750	N/A

In addition to health insurance, you can review and make changes to your Dental and Vision coverage at this time as well.

## Dependent Coverage

Open enrollment additionally provides the opportunity to enroll or make changes to the coverage for your eligible dependents, including your spouse/domestic partner and children.

# Maximizing Your Benefits: A Guide to Microsoft's Open Enrollment for 2025

If your spouse/domestic partner is eligible for coverage through another plan, you must notify Microsoft of your decision to coordinate coverage between that plan and the Microsoft plan when you enroll. **There may be an additional charge of \$150 per month for spouse/domestic partner medical coverage if they are eligible for coverage through their employer and waive that coverage.**

## Plan Comparison for Employees + 1 Dependent:

Plan Name	Deductible (Employee + 1)	Out-of-Pocket Maximum (Employee + 1)	HSA Contribution (Employee + 1)
Health Savings Plan	\$3,500	\$5,500	\$2,000 (Level 40-49 and 59 and above) / \$3,500 (Level 30-39 and 50-58)
Health Connection Plan	\$0 in network \$3,000 extended/out	\$6,000	N/A
Kaiser HMO Plan	\$0	\$3,000	N/A
Surest Health Plan	\$0	\$5,500	N/A

## Plan Comparison for Employees + 2 Dependents or More:

Plan Name	Deductible (Employee + 2 or More)	Out-of-Pocket Maximum (Employee + 2 or More)	HSA Contribution (Employee + 2 or More)
Health Savings Plan	\$4,375	\$6,875	\$2,500 (Level 40-49 and 59 and above) / \$4,375 (Level 30-39 and 50-58)
Health Connection Plan	\$0 in network \$3,000 extended/out	\$6,000	N/A
Kaiser HMO Plan	\$0	\$4,500	N/A
Surest Health Plan	\$0	\$6,875	N/A

# Maximizing Your Benefits: A Guide to Microsoft's Open Enrollment for 2025

## Health Savings Account (HSA)

When selecting a health insurance plan, it's crucial to choose one that offers the right coverage for your needs. However, it's equally important to consider Microsoft's employer HSA contribution when comparing costs. The table below adjusts the deductible to account for the HSA contribution from Microsoft, which we refer to as the "net deductible".

### Deductible Adjusted for HSA Contribution:

Deductible Less HSA Contribution	Employee	Employee +1	Employee +2 or More
Health Savings Plan (Level 40-49 and 59 and above)	\$750	\$1,500	\$1,875
Health Savings Plan (Level 30-39 and 50-58)	\$0	\$0	\$0
Health Connect Plan	\$0 to \$1,000	\$0 to \$3,000	\$0 to \$3,000
Kaiser HMO Plan	\$0	\$0	\$0
Surest Health Plan	\$0	\$0	\$0

As you can see, the Health Savings Plan has a much less expensive deductible from this perspective. Additionally, selecting the Health Savings Plan allows you to contribute extra to the HSA and enjoy the triple tax benefits. For these reasons, along with the plan network flexibility, this is commonly our preferred plan option – though your level at Microsoft is also a contributing factor.

# Maximizing Your Benefits: A Guide to Microsoft's Open Enrollment for 2025

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Note that while the Surest Health Plan has \$0 deductible, the co-pays for this plan can be up to \$2,000 hospital care, resulting in the possibility of significant out-of-pocket expense. The Kaiser plan offers in-network only.

## Flexible Spending Accounts (FSA)

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In addition to the Health Savings Account (HSA), you can also enroll and make changes to your FSA. While we tend to prefer the HSA, these accounts also allow you to set aside pre-tax dollars to pay for eligible health care expenses. For 2025 you may contribute up to \$3,200 to an individual FSA and \$5,000 to the dependent care FSA if eligible.

## Life Insurance and Long-Term Disability

Microsoft provides employee life insurance coverage equal to three times your annual base pay as a benefit. **This commonly is not sufficient for many families, and we frequently suggest purchasing additional term life insurance to protect your family from a catastrophic event.** This can be acquired through Microsoft, up to a maximum of 10 times your annual base pay or \$4,000,000, or through an external insurance company.

Microsoft offers long-term disability coverage equal to 60% of your monthly earnings, up to a maximum of \$15,000 per month. You can review and make changes to your coverage during the open enrollment period as well.

## Key Considerations

When choosing a plan, consider your healthcare needs and financial situation. While the HSA contribution and eligibility is compelling in many cases, the most important thing is having the right medical coverage for you. For example, if you live in the King Country area and prioritize a more personalized health care experience, the Health Connect Plan may be a fit. If you want flexibility across the network and plan to utilize your HSA contributions, you may then prefer the Health Savings Plan option.

## Conclusion

Open enrollment is a critical time to review and adjust your healthcare coverage. By understanding your options and considering your specific needs, you can make informed decisions that will benefit you throughout the year. For personalized advice, [schedule a strategy session](#) with our team today to review the strategy that is right for you!

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