



Regence HSA Healthplan 2.0SM




Overview

 **Regence**

Together, we can take charge.SM



What You Will Learn

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- Health Savings Plan Challenges
 - Introduction to Regence HSA Healthplan 2.0
 - Referral HSA Banking Overview
 - Introduction to Regence HSA Referral Banking Partners
 - Overview of HSA Stakeholders
 - Referral Bank Comparison
 - Implementation Process Overview
 - Member Support
 - Key Things to Remember
 - Blue Healthcare Bank Update



The Challenges of HSAs

- Challenge #1: **Awareness**
What is an HSA? How does it work?
- Challenge #2: **Cost Exposure**
How am I going to pay for my deductible?
- Challenge #3: **Consumerism**
How should I spend my money?
- Challenge #4: **Administration**
How am I going to get this set up?



Challenge #1: Awareness

Problem:

- *What is an HSA anyway?*
- *And how does it help me?*

Solution:

- **Robust marketing campaign with a strong emphasis on education and a clear path to action**
- **Clear information on the value of the HSA**
- **Customized comparison tools for both the employer and the employee in order to determine if HSA is the right fit**



Media Campaign & Imagery

Looking for an easy way to pay for your kid's braces?

Regence HSA Healthplan 2.0
Invest in your health

The new Regence HSA Healthplan 2.0 is an easy way to pay for life's medical expenses. Like your kid's braces. It's a comprehensive health plan and a tax-free savings account all rolled into one. HSA Specialists provide personal guidance and support and can even help you find an orthodontist in your neighborhood.

➤ Calculate your HSA 2.0 savings potential at www.regence.com/hsa or call toll-free: 1 (866) 731-1324.

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Regence BlueShield of Idaho is an Independent Licensee of the Blue Cross and Blue Shield Association

Looking for an easy, tax-free way to pay for life's medical expenses?

Regence HSA Healthplan 2.0™
Help your employees invest in their health

The new Regence HSA Healthplan 2.0 is a comprehensive health plan and a tax-free savings account all rolled into one. You and your employees will enjoy the extensive benefits you've come to expect from a health plan. Plus you'll have an easy way to save pre-tax dollars to pay for deductibles, coinsurance and other medical expenses that aren't covered by many medical plans. Like kids' braces. Laser eye surgery. Acupuncture. Hearing aids. In vitro fertilization. Long-term care and much more. Want to see how much more? For the entire list of qualified medical expenses, see IRS Publication 502 at www.irs.gov.

Comprehensive health coverage: Preventive care from Day One
As Regence HSA Healthplan 2.0 members, your employees could receive preventive care benefits even before they meet their deductible. This would give them immediate access to commonly needed care—including immunizations, annual exams, well-child exams, mammograms and prostate screenings. See the benefit summary for a list of options that include pre-deductible preventive care.

Tax-free savings account: Flexibility and ownership
Your HSA-eligible employees will appreciate the control and ownership that comes with the HSA savings account. It's not a "use it or lose it" account, pre-tax dollars deposited into the account, along with tax-free interest, can roll over from year to year. Employees own their accounts, so they can take their money with them if they change jobs, move across the country, switch health plans or retire.

➤ See the savings for yourself: Calculate your savings potential at www.regence.com.

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Medical savings that go wherever you go.

Regence HSA Healthplan 2.0
Invest in your health

The new Regence HSA Healthplan 2.0 is an easy way to pay for life's medical expenses. It's a comprehensive health plan and a tax-free savings account all rolled into one. HSA specialists provide personal guidance and support. And, you can take your savings account with you if you change jobs, move across the country or retire. It's yours to keep wherever you go.

➤ Calculate your HSA 2.0 savings potential at www.regence.com/hsa or call toll-free: 1 (866) 731-1324.

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Challenge #2: Cost Exposure

Problem:

- *My employees are not ready for a high deductible*
- *My employees cannot afford an HSA*

Solution:

- **Better pricing**
- **Valuable wellness programs and preventive care**
- **Enhanced calculators to estimate healthcare costs**
- **Complementary products that help limit financial impact**
- **A smart selection of coverage options to meet varying needs**

HSA Healthplan 2.0 Options

Cost
Exposure



	Traditional HSA	Embedded HSA	HSA 100
Deductible Options	<p>\$1,500/\$3,000</p> <p>\$2,500/\$5,000</p> <p>\$3,500/\$7,000</p>	<p>\$3,000 /\$5,000</p> <p>\$3,000 /\$7,000</p>	<p>\$5,000/\$10,000</p>
Deductible Rules	<ul style="list-style-type: none"> • Individual and family treated as different products • Must hit family deductible before any family member gets benefits 	<ul style="list-style-type: none"> • Individual and family plans sold as one product • One member of the family can get benefits when they hit the \$3,000 deductible. 	<ul style="list-style-type: none"> • Same as a Traditional HSA
Coinsurance	80/60/60	80/60/60	100/100/100
Upfront Preventive Care	<p>Yes</p> <p>No annual max</p>	<p>Yes</p> <p>No annual max</p>	<p>No</p> <p>No annual max after the deductible</p>





Enhanced Member Calculator

Select your specific plan options and monthly premium to get customized results

Play with different contribution amounts and investment factors to see savings grow, calculate your annual tax savings

Plan Comparison Selector

Enter information here about the two health plans you would like to compare.

Where can I find this information?

Non-HSA Plan

Plan Name

Innova Engage Other

Deductible: \$500 single / \$1,500 family

Coinsurance Max: \$3,000 single / \$9,000 family

Your Monthly Premium: \$215

HSA Plan

Deductible

Out-of-Pocket Max

Your Monthly Premium

Calculator

Enter your data to learn how an HSA could work for you:

FAMILY TYPE: Single Couple Family

PREVENTIVE CARE VISITS: 0 5 10 15

DOCTOR APPOINTMENTS: 0 5 10 15

MINOR EMERGENCIES (stitches, sprains): 0 5

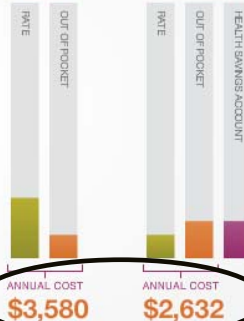
MAJOR HEALTH EVENTS (limb break, heart attack): 0 5

COVERAGE: Mine Family None

MATERNITY: Yes No

INNOVA PLAN
\$500 deductible
\$20 copay

HSA PLAN
\$1500 deductible
20% coinsurance



See how changing the way you save will affect your long-term savings:



HSA BALANCE: \$62,900
ANNUAL TAX SAVINGS: \$830

See how your coverage options total out at the end of the year, taking into account your family's unique healthcare needs

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Challenge #3: Consumerism

Problem:

- *How are my employees expected to figure it out on their own?*
 - *My employees need access to good information in order to be fully engaged*
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Solution:

- **Comprehensive & personalized support**
- **Valuable navigational tools that help members maximize the value of their plan**
- **Connect members with others in the community**



Personalized Member Support

Specially Trained Customer Service Specialists



- Help maximize value
- Ask and direct members to information about taxes, banking, investment, and consumerism
- Encourage engagement
- Proactive outreach

member

CareEnhance Nurseline

- 24/7 support
- Medical questions
- Follow-up



Regence Health Coach



- 1:1 Coaching
- Personalized support



HSA Support on **myRegence.com**

- Provides one stop resource with access to health plan information and links to Regence Partner banks
- Drives & supports consumerism with valuable tools

The HSA and myRegence.com

Advise, Navigate, Reward

- HSA Navigational Guide
- Partner bank links
- myRegence.com rewards
- CDH-based articles
- Claims information

Community Support

- Discussion threads
- Ask the HSA Expert
 - Common questions
 - Coordination of benefits
 - Qualified expenses
 - Spending from the account



HSA Navigational Guide

Simple Navigation



Interactive Lessons

Getting Started
Learn the Basics

1 Contributing
 Each month, your health care dollars pay for your **health plan**. Additional funds can go into your HSA.

The donut chart is divided into two main sections: **Health Plan DEDUCTIBLE** (blue) and **Health Savings Account** (green).

[skip »](#)

Detailed Information

Maximize Your Budget | Taxes and Your HSA
HSA Tax 101

How It Works
 Depending on the type of coverage you have, your HSA tax savings will be seen at different times.

If you receive coverage through your employer, and your employer participates in a section 125 cafeteria plan, your contributions can be deducted from your paycheck on a pre-tax basis. Ask your benefit administrator for details on how this is set up.

If you have individual coverage, your contributions to your HSA will initially be made with post-tax dollars. You can then deduct them from your taxable income at the end of the year.

You will receive a form in the mail at the end of the year that you'll use in your tax filing. See our **Tax Filing Guide** for details on how this works.

Triple Tax Savings

- Pre-Tax Contributions**
 Contributions to your HSA from both you and your employer are tax-free. As your total taxable income is lowered, you owe less in taxes at the end of the year.

[Get answers to your tax questions in our **FAQ**](#) [Did you know?](#)

Comprehensive FAQs

Frequently Asked Questions

HSA Basics Health Plan **Contributing** Spending Investing Taxes Misc

Q: How do I make contributions to my HSA?
 A: If you have coverage through your employer, both you and your employer can make contributions on your behalf. Contributions are typically made via check, payroll deduction, or automatic funds withdrawal through your employer. If you are on Individual coverage, you make your own contributions via check or automatic funds withdrawal. Post-tax HSA contributions are deductible on your tax return. Total contributions from all sources cannot exceed the annual contribution limits established by the US Treasury.

Q: Who can contribute to my HSA?
 A: Contributions to your HSA can be made by you, your employer, or another individual on your behalf.

Q: What is the maximum amount I can put into my HSA each year?
 A: For 2009, the maximum annual contribution amount for those on single coverage is \$3,000 and for those on family coverage it is \$5,950.





Challenge #4: Administration

Problem:

- *I need resources to educate my employees about HSAs*
- *I need a banking solution that is easy for my company to work with and is beneficial to my employees*
- *How does the account set-up part work?*




Solution:

- **Multiple banking partnerships that offer choice and excellent service**
- **Instructional materials from both the health plan and the bank to make the set-up process easy**
- **A wide range of tools to educate and support employees through open enrollment and beyond**



Regence HSA Healthplan 2.0

Regence offers a full-service HSA solution, with:

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- A **robust benefit package** that combines comprehensive preventive care and wellness programs with solid coverage
 - A full suite of **member tools and personalized support** to facilitate navigation at every step of the way
 - **Full support to employers and employees** through open enrollment and beyond
 - **Partnering with strong banks** that value a strong member experience



Regence HSA Healthplan 2.0SM

Banking

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HSA Referral Banking Partners

Which banks does Regence partner with to provide the HSA referral product?



Wells Fargo – existing referral partner since 2004



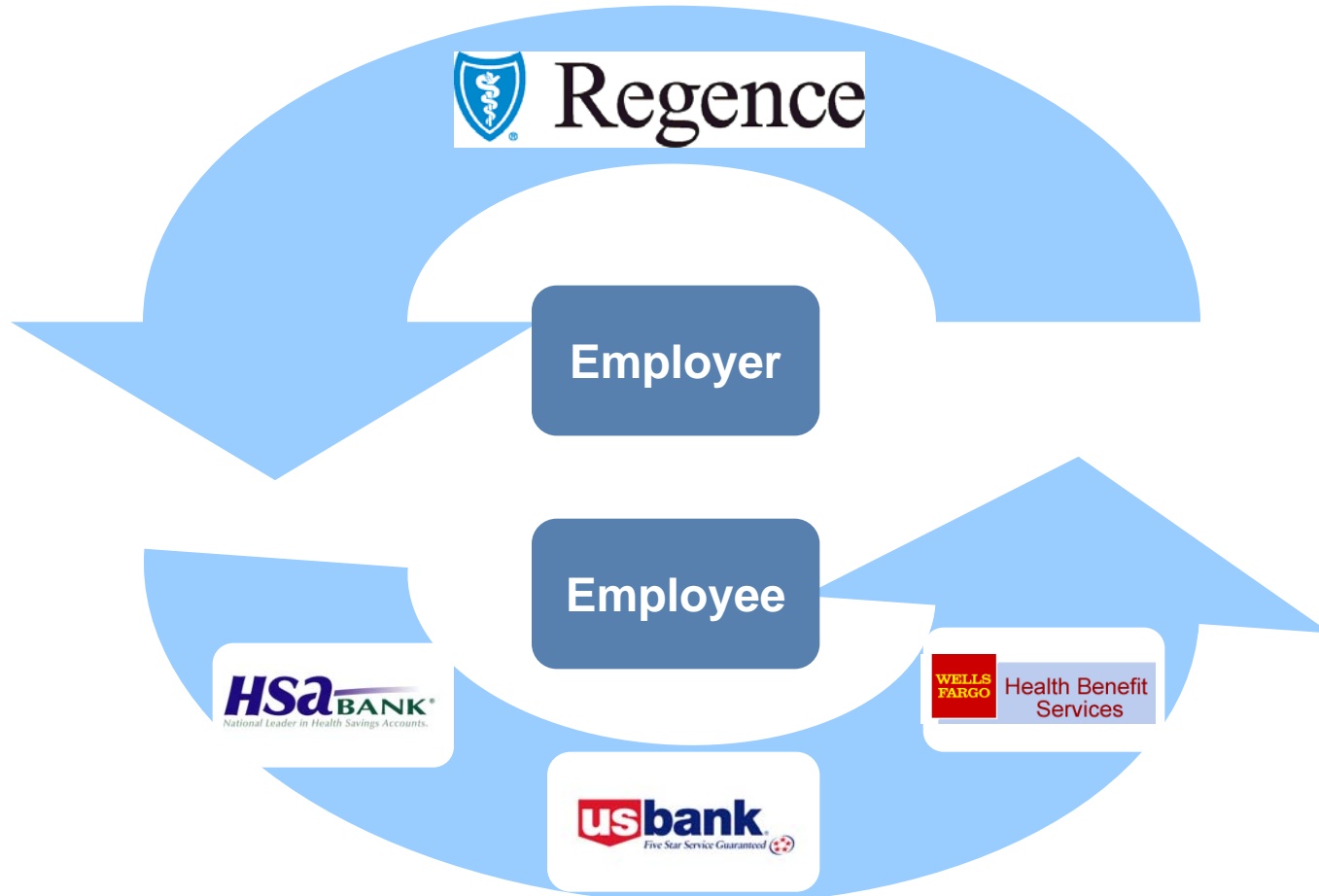
HSA Bank – existing referral partner since 2004



US Bank – new referral partner beginning 12/1/08



HSA Banking Referral Stakeholders



Performance metrics in place to deliver the desired member experience



Comparison of Bank Programs*

	HSA Bank	US Bank	Wells Fargo
Employer Assistance	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Fee Structure	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Website (Appearance)	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Website (Ease of Use)	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Customer Service	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Brand Recognition	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Enrollment Options	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Number of Investment Choices	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

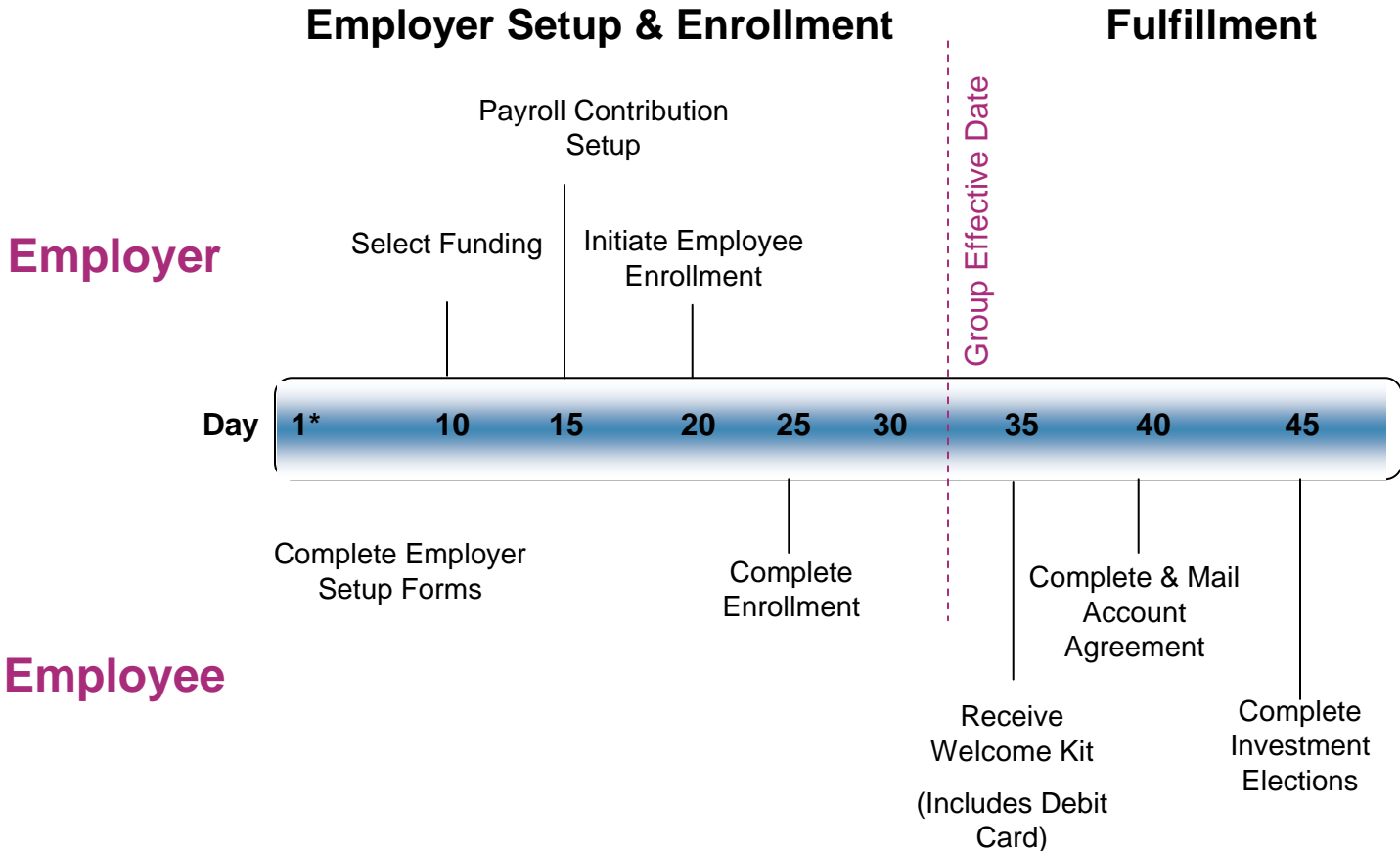
Good

Better

Best



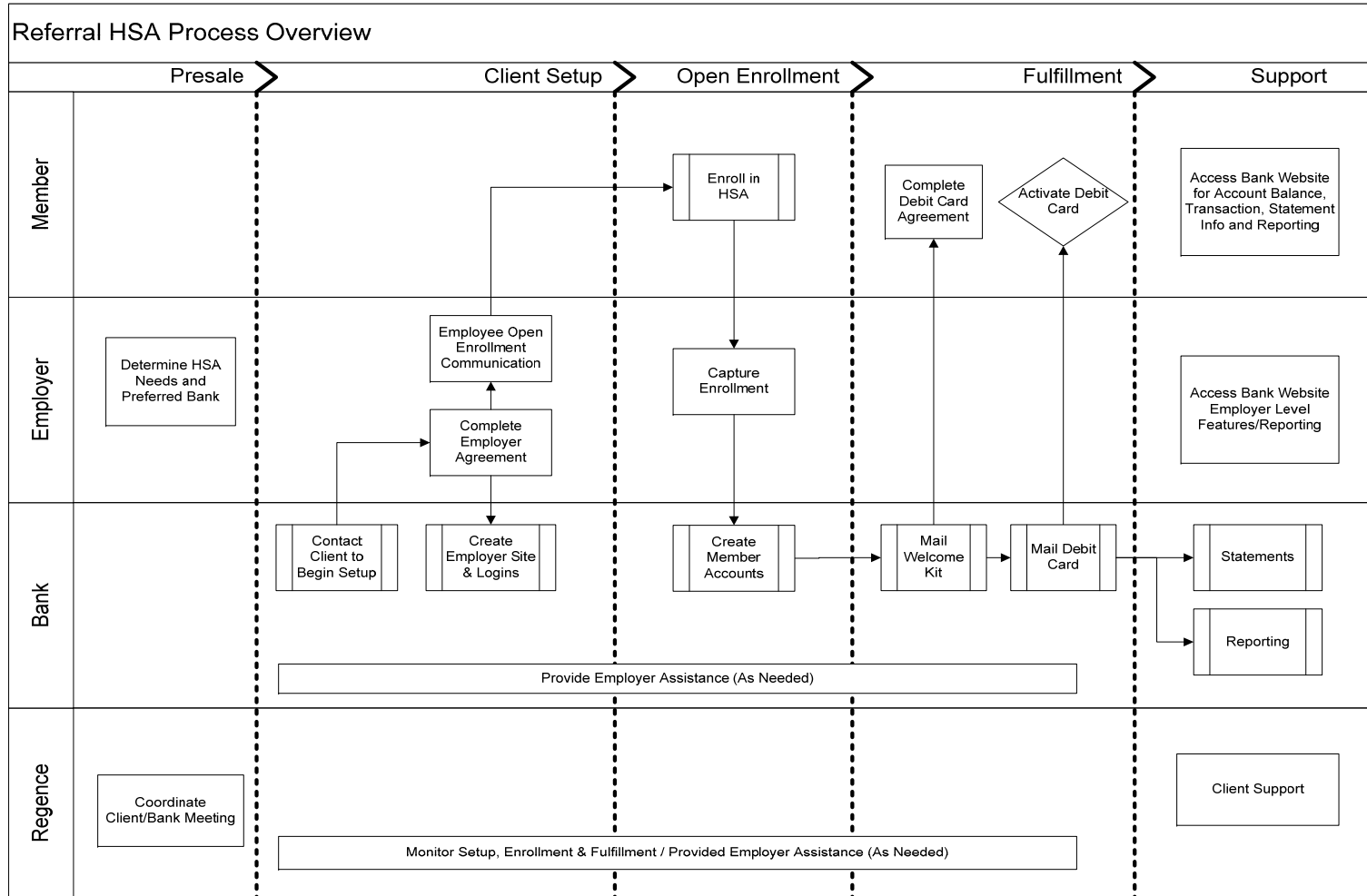
Implementation Timeline



Sample Employer Setup & Employee Enrollment Timeline
- Online Enrollment



Referral HSA Process Overview



Member Support Information



Regence Customer Service or Website



-Healthcare coverage & claims information

Partner Banks






- Employer HSA setup questions or forms
- Employee HSA enrollment questions or forms
- HSA account balance, transaction, and disbursement information
- HSA investment balances and other questions







Key Things to Remember

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- Some merchants allow PIN only transactions (e.g. Costco)
 - IRS form 8889 must be filed annually to declare contributions & disbursements
 - 7-year receipt retention recommended
 - 2009 IRS Inventory Information Approval System (IIAS)
Transaction Validation
 - Beginning January 2009, all HSA card transactions will be subject to new IIAS requirements at point of sale – card terminals will validate product eligibility at point of sale based on UPC





Blue Bank Update

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1. All current BHB groups will continue to be supported
 2. HSA renewals should be offered Regence HSA Healthplan 1.0 or Activate (until HSA 2.0 is available).
 3. Materials and sales support tools have been modified to remove references to BHB (new materials can be ordered through fulfillment)
 4. All web pages have been updated
 5. OK to continue using the HSA CD and Welcome Kits



Summary

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- Health Savings Plan Challenges and Regence Solutions
 - Awareness
 - Cost Exposure
 - Consumerism
 - Administration

 - Referral HSA Banking Overview
 - Introduction to Regence HSA Referral Banking Partners
 - Overview of HSA Stakeholders
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HSA Bank Partner Contacts

Plan	HSA Bank	US Bank	Wells Fargo
Regence	877-227-5143 http://www.hsabank.com/?id=10311	800-334-9207 www.myhsa.usbank.com/regencewa	866-208-4653 http://www.wfhbs.com/regencewashington/



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