

St. Elizabeth Medical Center

St. Luke Hospital

Employee Benefits

Health Savings Account

Flex Spending Account

Dependent Care Account



About Chard, Snyder & Associates



- **Third Party Administrator Since 1988**
- **Located in Mason, Ohio**
- **Currently service over 800 companies**
- **Commitment to Excellence in products and customer service**



IF you choose a HDHP...



- Then you may also elect to open an

HSA

Fifth-Third Bank

(Health Savings Account)

What is a Health Savings Account (HSA)?



An HSA is a bank account created exclusively for you (the employee) and designed to:

- 1. Help you pay for certain qualified health care expenses on a tax-free basis (for you, your spouse and your dependents)**
- 2. Help you earn interest on your account balance**
- 3. Help you save for future health care expenses (including retirement) by investing your money in various investment platforms**



Who is INELIGIBLE to participate in an HSA?



- **Enrolled in any Medical FSA (you can continue FSA Dependent Care)**
- **An employee who is enrolled in Medicare**
- **Enrolled in a non-high deductible health plan**
- **Claimed as a dependent on another person's tax return**

How is the account funded?



- **Employer Contributions**
Match \$500 for Singles
Match \$1000 for Families
- **Employee Contributions**
- **Employer Contributions are automatically deposited into your HSA**
- **Employee Contributions are deducted from your paycheck on a pre-tax basis**





How Much Can be Contributed to an HSA in 2009?



- **Up to \$3,000 for single coverage**
- **Up to \$5,950 for family coverage**
- **An additional \$1,000 for those 55 and over**

***Remember, this includes both
Employer and Employee Contributions**

HSA Contribution Strategy - Single



Monthly Premium:

POS Plan: \$ 44.14

HDHP Plan: \$ 16.11

Per Pay Savings: \$ 28.03

*St Elizabeth/St Luke matches \$ for \$ up to max of \$500

Annual Cost Savings: \$ 728.78

Match \$ 500.00

Contribution Total \$ 1,228.78

HSA Network Single Deductible - \$2000

Annual Out of Pocket Maximum - \$3000

HSA Contribution Strategy – Family



Monthly Premium:

POS Plan: \$114.75

HDHP Plan: \$ 41.89

Per Pay Savings: \$ 72.87

*St Elizabeth/St Luke matches \$ for \$ up
to maximum of \$1000

Annual Cost Savings: \$ 1,894.36

Match \$ 1,000.00

Contribution Total \$ 2,894.36

HDHP Network Deductible \$4,000

Annual Out of Pocket Maximum \$6,000



What expenses can be paid using HSA dollars?



- **Anything applying to your deductible**
- **Prescriptions**
- **Over the counter items**
- **Dental, Orthodontia and Vision expenses**
- **And More!!!**

Eligible Health Care Expenses



- **Childbirth Classes**
- **Chiropractors**
- **COBRA Premiums***
- **Contact Lenses / Solution**
- **Deductible Expenses***
- **Dental Treatment**
- **Eye Exams / Eyeglasses**
- **Health Insurance Premiums (while on employment)***
- **Hospital and Emergency Room Services**
- **Laboratory Fees**
- **Learning Disability**
- **Long Term Care Premiums***
- **Orthodontia**
- **Over-the-counter medications**
- **Pre-existing Conditions**
- **Prescription Drugs**
- **Physical therapy**
- **Radial Keratotomy / Lasik Surgery**
- **Retiree Medical Premiums & Medicare Premiums***
- **Smoking treatment program**
- **Vaccines**
- **Weight loss programs (prescribed for illness)**
- **and more!**

Ineligible Health Care Expenses

- Cosmetic services and surgeries
- Face lifts
- Genetic testing
- Hair transplant
- Massage therapy
- Medicare Supplemental Policy Premiums*
- Most Medical Insurance Premiums before 65*
- Physical exams (employment related)
- Rogaine
- Teeth bleaching
- Vitamins
- Vision discount membership fees
- Weight loss drugs and foods
- and more

- Non Health Related Expenses

How do I know what's eligible?



- Check out our website and/or call our Customer Service to verify an expense ahead of time

www.chard-snyder.com

800.982.7715

Using my HSA



- **Your HSA may only be used for qualified expenses until age 65. When other options become available**

If the money is used inappropriately, there will be an income tax on it, a 10% excise tax, plus other possible taxes, fees or fines

What happens at age 65?

- No IRS penalties for using funds for non-qualified purchases
- No 10% excise tax
- Income taxes will be applied if non-qualified expense





How do I use my HSA at the Doctor's Office?



- You are responsible for every expense until the deductible is met, except for preventative care which is of no cost to you**
- Show your Insurance Card and do not pay at time of service**
- Wait for EOB from Humana and bill from the provider; make sure they match and then pay your bill by your own means or by using your HSA card**



How do I use my HSA at the Pharmacy?



- **Show your Insurance Card**
- **Your card will show no co-pay is required**
- **The Pharmacist will enter your insurance information and the discounted carrier price will be automatically calculated**
- **Pay for your prescription with your HSA Mastercard debit card or by another means of your choice**
- **Shop around for the best deal! Let us share our tips and tricks!**



Receipt Requirements



All Receipts / Bills / EOBs must include:

- **Date of service**
- **Type of service provided**
- **Service provider's name and address**
- **Amount you are responsible to pay**

- **You must be able to show the IRS that any monies you used from your HSA account was for eligible expenses**



What happens if I quit or I am terminated?



- **Your HSA is portable—goes with you!**
- **You CAN continue to invest your money and draw interest on your balances**
- **You CAN continue to make withdrawals for qualified expenses**
- **You CANNOT make new contributions to the account unless you become enrolled in another high deductible health plan (HDHP)**



Can I make changes to my pre-tax amounts?



- **Yes. You can change your HSA pre-tax contribution amount at any time, as long as it does not exceed the allowable maximums**
- **All changes must be approved by your employer before they can be processed by our office**

Fifth Third - Online Account Services



- **Check your account balances online**
- **Store your receipts online**
- **Investment options online**
- **Track usage online**
- **On-line Bill Payer**
- **HSA Customer Service – 888-350-5353**

Note: Use the Fifth Third HSA Help ONLY, not your local branch or the regular Fifth Third website!



Are there any charges to me for the HSA?



- **No charges to set up an HSA**
- **No monthly bank charges to maintain your HSA**
- **No charge for the MasterCard Debit Card**
- **No Fifth Third ATM charges for this account**
- **No charge to use Fifth Third On-Line Bill Payer System**
- **There is a nominal fee to order paper checks**



HSA Plan Advantages



- **Tax Free Contributions from Your Employer**
- **Earn interest on Your HSA Dollars**
- **Pay for qualified medical expenses for your family**
- **Once your balance reaches \$2,000 invest your HSA dollars into mutual funds, stocks, CDs and other investment vehicles offered by Fifth Third Bank**

And . . .

The Primary Advantage



**More money in
your pocket!**

What happens next?



- Complete your worksheet to decide your election, and complete your Chard Snyder enrollment form
- Complete ALL of your Fifth Third application
 - If we do not receive your application your Fifth Third bank account will not be opened and you CANNOT reimburse yourself for any medical expenses that occurred before that account is opened



What happens next? ... continued



- **Before your new plan year begins, expect:**
 - **A welcoming email from Chard Snyder with information for you**
 - **An unmarked envelope containing your Fifth Third HSA Card, your PIN number will come separately**



Consider a Limited Flex Plan



- If you have an HSA, you may not participate in a regular FSA, but have the option of a Limited Flex:
 - Limited to *Dental* and *Vision* expenses only



What if I do NOT elect the HDHP?



You may participate in an

FSA

Flexible Spending Account

How Does This “Flex Plan” Work?



- **I select an amount that works for myself and/or my family’s expenses for the duration of the plan year (Min. \$120 – Max. \$5000)**
- **That amount is deducted TAX-FREE from each paycheck and put into my flex account**
- **I use my flex account to pay for eligible expenses, by filing a claim and receive reimbursement by direct deposit or paper check or elect to use a Benny Card**

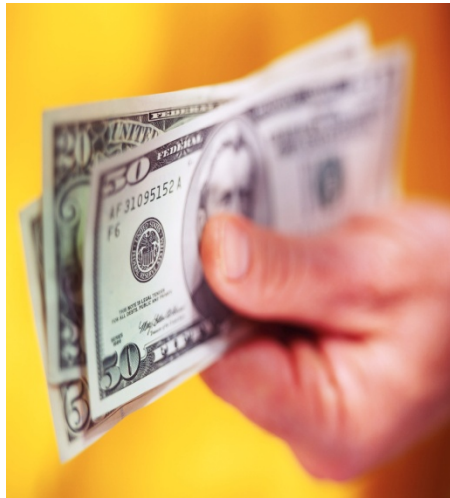


What kinds of expenses qualify?



- **Very similar to the HSA, except for insurance types of payments**
- **Common usages include co-pays, vision, orthodontia, dental, prescriptions, over-the-counter items**
- **A complete list is eligible on our website, or call us!**

How do I access my FSA funds...



- ***3 ways to send in reimbursement requests***
 - Mail***
 - Fax***
 - Online Claim Submission***
- ***2 options to receive your reimbursements***
 - Check***
 - Direct Deposit***

OR...

Elect to receive a Benny Card



How to use your Benny™:

You may use the card like a credit card when you pay for eligible expenses at the point of service. The funds are automatically deducted from your Flex Account balance. It is important to remember that you may still need to submit substantiation upon request. **SAVE RECEIPTS.** IRS requires that you keep these receipts for 7 years.

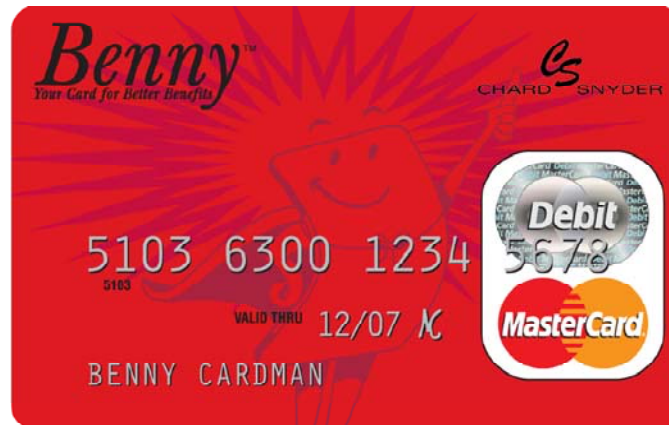
Where to use the card:

- Medical and dental physicians
- Vision care providers
- Medical facilities
- Drug stores and in-store pharmacies (i.e. supermarkets, retail stores, discount stores)
- Hospitals including emergency rooms
- Dependent care providers who accept MasterCard/Visa
- And more!

Benny™ Substantiation



No documentation of your debit card expense is required unless you receive an email or letter from Chard Snyder requesting it. If you receive such a request, you must send complete information with a copy of the letter you received to Chard Snyder.





More Benny™ facts



- **Your Benny™ will cost you \$21 a year deducted from your FSA account**
- **You receive two; whoever signs 'em owns 'em**
- **They are good for five(5) years (elections are reloaded on the same card each year)**
- **You must save all receipts for 7 years as part of your tax documentation. Receipts must show who you paid, when you paid them, and what for**



Dependent Day Care Reimbursement Account



- **Daycare Centers**
- **After-School Programs**
- **Care for the Elderly**
- **Can use with either health plan you pick!**
 - **Up to \$5,000 per year if filing jointly**
 - **Up to \$2,500 per year if filing separately**



Eligible Day Care Expenses



Must be incurred for one of the following reasons:

- To allow an employee and spouse to work
- To allow spouse to seek gainful employment
- To allow spouse to gain a higher education full-time

Must be for:

- Dependents under the age of 13 or incapable of self-care
- Dependents who spend at least eight hours a day in your home
- The well-being and protection of the dependent

Eligible providers:

- Licensed day care centers
- An IRS-compliant day care provider
- An individual who claims their income
- Over the age of 18 who you don't claim as a dependent
- After-school programs and day camps

Ineligible Day Care Expenses

- Services rendered by one of your dependents or by your spouse
- Services rendered by one of your children under 19 years of age
- Services rendered while you or your spouse are *not* working (such as over-night summer camps)



Rules for all Flexible Spending Accounts:



A flexible spending account is a Qualified plan and is subject to the following IRS guidelines:

- Must be an eligible expense**
- Reimbursed items cannot be claimed again on tax return**
- Make elections for the plan year before it starts**
- Cannot change election during the plan year**

Unless . . .




Eligible Changes in Status*



- **Marital Status**
- **Change in Dependents**
- **Change in Adoption Proceedings**
- **Change in Eligibility (Employee/Dependents)**
- **Employment Status (Employee/Spouse)**
- **And for Dependent Care, change in arrangement or provider**

*** All changes in status must be approved by your employer before they can be processed.**



IF you elect an FSA (Health or Dependent Day Care) What happens next?



- **Complete your worksheet to decide your election**
- **Complete your Chard Snyder enrollment form**
- **Watch the regular mail for your bank or Benny card!**



Chard Snyder Helps!



Chard Snyder helps you follow the rules and provides tips to use your money:

- **Helpful worksheet to plan actual expenses**
- **Tax Savings Calculator on our website shows how to save!!!**
- **Estimate conservatively**
- **Only include routine expenses (not emergencies)**
- **Eligible item list kept current**
- **Access to your account 24/7**
- **Quarterly reminders from CS (if we have your email address)**
- **Call us if you need help any time!**

Use it, don't lose it!

Online Account Services



- **Automatic email notifications for:****
 - Claim Status**
 - Payment Status**
- **Periodic email reminders / statements**
- **Check your account balances online**
- **View your claim status and history**
- **And more!!!**

**** If we have your email address**



Chard-Snyder Contact Information



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