



C L A R K

and associates of nevada, inc. insurance services

Consumer-Driven Healthcare

EXHIBIT G Health Care Document consists of 18 slides

- ☒ Entire document provided.
- ☐ Due to size limitations, pages _____ provided.

A copy of the complete document is available through the Research Library
(775/684-6827 or e-mail library@lcb.state.nv.us). Meeting Date: March 15, 2006

CDH: Who is it good for?

Consumer-driven healthcare (CDH) includes healthcare dollars for personal everyday use, traditional coverage for major expenses and educational tools to make the best decisions.

- Consumer-Driven Healthcare is good for
 - Employees
 - Employers

- See how it works
 - Health Savings Accounts
 - Health Reimbursement Arrangements

Good for Employees

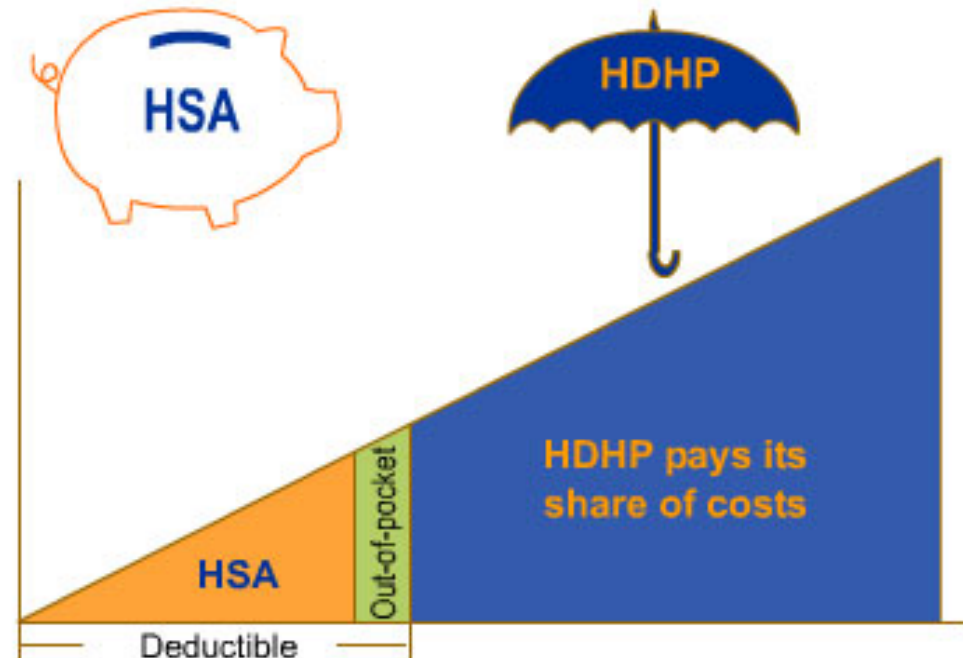
- Every employee...
 - becomes a consumer
 - makes smarter financial & healthcare decisions
 - is in control of personalized healthcare
 - is rewarded for staying healthy
 - has multiple resources to make informed decisions

Good for Employers

- Every employer...
 - cuts costs
 - provides better quality care
 - gets healthier employees
 - gets happier employees
 - gets employee satisfaction which increases retention

Health Savings Account

- Use HSA to pay for routine expenses
- Once you meet deductible, your traditional, high deductible health plan (HDHP) begins to pay
- Use HSA for yourself, your spouse and your children
- Use HSA to save for future expenses
- You decide how to save and spend on healthcare



Who is eligible for an HSA?

- You have a high deductible health plan (HDHP)

Coverage	Minimum HDHP Deductible	Maximum HDHP Out-of-pocket
Single	\$1,050	\$5,250
Family	\$2,100	\$10,500

- You're NOT:
 - Enrolled in Medicare
 - A dependent on another's tax return
- Use for expenses of self, spouse, children
- Expense limits:
 - Meets IRS list of qualified expenses
 - Not covered by another health plan
- Use for expenses until you meet the deductible, coinsurance

HSA Contribution Amounts: 2006

Coverage	100% of deductible up to:	If age 55+, an additional:
Single	\$2,700	+ \$700
Family	\$5,450	+ \$700

How Your HSA Works

- ❑ Enroll in your traditional, high deductible health plan (HDHP)
- ❑ Establish an HSA
- ❑ Choose how much to contribute to your HSA
- ❑ Start receiving care
- ❑ Pay via debit card or check
- ❑ Funds roll over from year to year
- ❑ Resources to assist you
- ❑ Switch jobs? Take your account with you.

Investing In Your Health

- ❑ You invest your HSA funds
- ❑ Funds roll over, allowing you to build up a balance for future expenses / self-funded amounts
- ❑ Tax benefits:
 - Your payroll contributions are pre-tax
 - Investment earnings are tax free
 - Reimbursements are tax free
- ❑ Account is easy to use
 - Debit cards or checks
 - Low or no setup fees
 - Easy to enroll



HSA Example

Year 1

You contribute \$750
Your employer contributes \$1,000

Your account = \$1,750

Your family deductible = \$2,100
Your HDHP provides 80% coinsurance

	\$750	Account pays for your doctor visit
+	\$250	Account pays for child's emergency room visit
	\$500	Account pays for child's doctor visit and medication
	\$250	Account pays for spouse surgery
	<hr/>	
	\$1,750	Total account pays
+	\$350	You pay out-of-pocket for spouse's doctor visit
	<hr/>	
	\$2,100	Met your deductible

Next bill, your plan pays 80% and you pay 20%.

HSA Example

Year 2

You contribute \$750

Your employer contributes \$1,000

Your account = \$1,750

Your family deductible = \$2,100

Your HDHP provides 80% coinsurance

Total year expenses = \$1,000

Remaining \$750 will roll over to year 3

Health Reimbursement Arrangement

- Use your HRA to pay for routine expenses
- Employer contributes to your HRA
- Use funds to pay qualified medical expenses
- You decide how to save and spend on health care

Who is eligible for an HRA?

- Your employer sets up eligibility rules
- Generally, same rules as other healthcare plans
- Expenses for you, spouse, and other dependents
- HRA can reimburse qualified medical expenses
 - Deductible
 - Copayments
 - Coinsurance
- Balance rolls over

How Your HRA Works

- Your company sets up your HRA
- Your employer contributes funds
- You start receiving care
- You pay by debit card or special check
- Resources to assist you
- Account not portable if you leave

Investing in Your Health

- ❑ Your employer maintains your account
- ❑ Funds roll over, allowing you to build up a balance for future expenses
- ❑ Tax benefits:
 - Contributions to you are tax free
 - Reimbursements are tax free
- ❑ Account is easy to use, with debit cards or checks



HRA Example

Year 1

Your family deductible = \$2,100

Your coinsurance = 80%

Your employer contribution = \$1,500

\$500 Account pays for your doctor visit

\$100 Account pays for your child's doctor visit

+ \$250 Account pays for your spouse's doctor visit and medication

\$150 Account pays for your doctor visit

\$500 Account pays for your children's doctor visit

\$1,500 Total account pays

+ \$400 You pay out-of-pocket for eye care

\$200 You pay out-of-pocket for glasses

\$2,100 Met your deductible

Next bill, your plan pays 80% and you pay 20%.

HRA Example

Year 2

Your family deductible = \$2,100

Your coinsurance = 80%

Your employer contribution = \$1,500

Total year expenses = \$1,000

Remaining \$500 will roll over to year 3

Questions
