

BlueEdge HSA

DePaul University • Office of Human Resources

What is it?

Could it be the right choice for me?

Take a closer look...

DePaul's BlueEdge Consumer Driven Health Plan (CDHP) offers comprehensive, affordable medical coverage. There are many great reasons to look at the CDHP as an attractive alternative for your medical coverage! Here are just a few:

- DePaul will fund a portion of your Health Savings Account (HSA)
- Preventive care is covered at 100%
- You pay lower monthly premiums for coverage
- Blue Cross Blue Shield network
- Freedom to choose your provider
- Extensive tools and resources to help you manage your health

Also keep in mind, you can invest in your future health and well-being by contributing to a Health Savings Account (HSA), as long as you or your spouse do not have a full-purpose FSA during the same year. Your contributions are made on a pre-tax basis which can result in significant tax savings on an annual basis. The funds in your HSA can be used to pay for any qualified health care expenses, including deductibles, co-insurance, prescriptions, dental expenses, and vision expenses.

Any unused funds in your HSA carry over from year-to-year, so you don't have to worry about the "use it or lose it" restriction that applies to cafeteria type plans, such as the Flexible Spending Account (FSA). And, your HSA is portable, which means that you keep it even if you change benefit plans, jobs or retire. Please review the Consumer Driven Health Plan section of the HR website (http://HR.depaul.edu/benefits/health_welfare) for more information about eligibility & plan features.

There are several important components that work together to provide comprehensive coverage for you and your family:

Why choose BlueEdge HSA

- 1 Preventive Care & Wellness Benefits**
Annual physicals, immunizations, screenings covered in full by the plan.
- 2 Company Funded HSA**
Use the HSA, along with any funds you contribute tax-free to the HSA, to pay medical expenses. Any unused funds carry over from year to year.
- 3 Deductible**
You pay the balance of your deductible after all the funds in your HSA are used up.
- 4 Medical Plan Portion**
The plan covers medical expenses at the 90% coinsurance level until you reach the out-of-pocket maximum.
- 5 Full Coverage**
The plan pays for 100% of covered expenses for the rest of the year once the out-of-pocket maximum has been reached.

BlueEdge HSA

Plan for a healthy future

When it comes to your health care, you are in charge

Preventive care is key to maintaining a healthier life.

A number of innovative online tools and resources are available to BlueEdge HSA members through the www.bcbsil.com website:

24-7 Nurseline

You can call anytime with questions, or find a referral to a specialist.

Personal Health Manager

With extensive health information and tracking tools.

BluePoints

Points you accumulate for using features on the website, which can be redeemed for wellness products and other rewards including retail gift cards.

BlueExtras

A program offering discounts for Curves, Jenny Craig, Pilates, Yoga, vitamins, meditation, acupuncture and more!

In recent years, there has been a strong shift towards consumerism in health care. Educated consumers will make more informed decisions about their health plans, and will be more likely to adopt healthier lifestyles. Consumer Driven Health Care is all about **increasing consumer awareness** and financial responsibility about benefits, cost of care and care choices, while **enabling members to make better decisions** to improve health outcomes.

The growth of Consumer Driven Health Care has been explosive over the last few years. Surveys show that the participation in Consumer Driven Plans has almost doubled in 2007 and 2008. BlueCross BlueShield has 3.1 million CDHP enrollees, and over 1.7 million of those participants are enrolled in HSA eligible products. More and more companies, from all industries and all sizes, are offering some form of a Consumer Driven plan. Just to name some of the larger companies... GM, Wal-Mart, Pepsi, Sara Lee, EDS...

"I was reluctant to enroll in a CDHP because I didn't fully understand how it worked. But now, I'm so glad I did! I use the money I save on my medical premiums to fund my HSA, and I never worry if I have to go to the doctor or get a prescription filled. It's so easy to track my health expenses on the Blue Access website."

• **BlueEdge participant with Family coverage Mokena, Illinois**

Key Features of the BlueEdge HSA Plan for DePaul:

	Single	Single + Dependents(s) or Family
Health Savings Account (HSA) Amount Funded by DePaul Which you can use towards your deductible	\$500	\$1,000
Deductible The portion of covered expenses you pay each year	\$1,200	\$2,400
Out-of-Pocket Maximum (deductible plus co-insurance) The most you will have to pay out of your pocket for eligible health care expenses	\$3,000	\$6,000
Lifetime Maximum The limit placed on maximum total expenses paid by the plan		Unlimited
Preventive Care Well child care & adult preventive care		100%
Coinsurance Amount the plan pays after you meet the deductible		90%
Prescription Drugs Amount the plan covers after you meet the deductible		90%

Important Note – This document summarizes the BlueEdge HSA plan and assumes In-Network Coverage. Participants are free to use Out-of-Network providers/services, but at a higher cost and higher plan limits. Complete information can be found in the official plan documents and Summary Plan Descriptions. If any discrepancy occurs, the actual plan documents and policies will prevail.

How DePaul's Medical Plans Compare



Only you can decide!

But first you should consider the potential total cost under each medical plan option. The following examples make it easier to compare the potential costs.

Please keep in mind, these examples assume coverage for Employee and Spouse and are for illustrative purposes only. Each employee's situation will be different, based on coverage level and claims history.

For help in deciding which plan would be best for you and your family, visit the [Health Plan Cost Estimator](http://www.bcbsil.com) at www.bcbsil.com.

The Bottom Line

This chart shows the bottom line results (including the cost of premiums for the year) for an Employee and Spouse with low claims, moderate claims, and high claims:

		BlueEdge Total Annual Cost	PPO Total Annual Cost
Low Claims	(\$1,570)	\$1,960	\$2,995
Moderate Claims	(\$5,070)	\$3,417	\$3,611
High Claims	(\$17,730)	\$4,683	\$4,841

The following examples illustrate how these bottom line numbers were reached. Please note, all of these examples assume all claims are in-network. Blue Edge participants may also contribute to a Health Savings Account (HSA) to accumulate tax-free funds that carry over from year to year. PPO participants may contribute to a Flexible Spending Account (FSA) on a pre-tax basis, but any funds in the FSA must be used by the end of the year. You can further maximize your tax savings by carefully estimating your expenses for the year and deciding if it makes sense for you to contribute to one of these types of accounts.

If you elect to participate in BlueEdge HSA federal rules require you to participate **ONLY** in a limited purpose (LP) Health Care FSA. Reimbursements from an LP Health Care FSA are based on the following:

- If the annual deductible is **NOT MET**, you may be reimbursed on a pre-tax basis for eligible dental, vision and over-the-counter medication expenses only, up to the deductible amount. Eligible medical expenses must be submitted to your HSA account.
- If the annual deductible **IS MET**, you may be reimbursed on a pre-tax basis for **all** eligible health expenses permitted under the FP Health Care FSA (medical, dental, vision, co-insurance and over-the-counter medication expenses).
- Due to federal rules, if you enroll in the BlueEdge HSA plan following participation in a FP Health Care FSA and have a balance as of 12/31 in the FP Health Care FSA, HSA contributions made by you and DePaul for the new plan year will be delayed until March 15th (date the grace period expires).
- A dependent care FSA is not affected by the addition of an HSA.

For the CDHP, DePaul funds a portion of the HSA for you each year (\$500 for an individual, \$1,000 for employee plus spouse/dependents). For 2010, you can fund an HSA with your own pre-tax dollars, up to an additional \$2,550 for an individual, or \$5,150 for employee plus spouse/dependents. If you are over age 55, you may contribute an additional \$1,000 in Catch-up contributions to your HSA. These HSA funds can be used to pay for any qualified health care expenses, including your deductible, co-insurance, prescriptions, dental expenses, and vision expenses.

"I love my BlueEdge Plan! I fund my health savings account so that I'm comfortable with the amount I might potentially have to pay out of pocket, and I know that if I don't end up using up all of those funds, they'll roll over to next year. And I save so much money each month on my medical deductions!"

- BlueEdge participant with Family coverage Chicago, Illinois

Note:

**All examples assume Employee and Spouse Coverage & In-Network Services:
BlueEdge HSA PPO**

Annual Deductible	\$2,400	\$400 (\$200 per person)
Annual Out-of-Pocket Maximum (deductible plus coinsurance)	\$6,000	\$2,000
HSA Contribution by DePaul	\$1,000	Not Applicable

EXAMPLE #1 – Low claims totaling \$1,570

Your total costs for the year		\$1,960	\$2,995
Service Received	Cost		
You and your spouse go for annual physicals	\$400	You pay \$0; Plan pays 100%	You pay \$0; Plan pays 100%
You consult a specialist for knee pain	\$180	HSA Contribution is used to pay \$180 (\$180 was applied to annual deductible)	You pay a \$20 co-pay (deductible does not apply)
You have physical therapy (10 visits total)	\$990	HSA Contribution is used to pay \$820; You pay \$170 (\$990 was applied to annual deductible)	You pay \$279 (\$200 to satisfy your deductible, plus \$79 which is 10% of the remainder)
Total Annual Cost	\$1,570	HSA paid \$1,000; You pay \$170	You pay \$299
Total premiums you paid for the year*		\$1,790	\$2,696

EXAMPLE #2 – Moderate claims totaling \$5,070

Your total costs for the year		\$3,417	\$3,611
Service Received	Cost		
You and your spouse go for annual physicals	\$400	You pay \$0; Plan pays 100%	You pay \$0; Plan pays 100%
Your spouse has outpatient surgery	\$2,670	HSA Contribution is used to pay \$1,000; You pay \$1,427 (You pay \$1,400 to meet the total annual deductible of \$2,400, plus 10% coinsurance on the remainder)	You pay \$447 (\$200 individual deductible plus 10% coinsurance on the remainder)
Your spouse has two follow-up office visits	\$200	You pay \$20 (annual deductible already met, you pay 10% coinsurance)	You pay \$40 (\$20 co-pay for each visit, deductible does not apply)
You order formulary brand maintenance mail order medication during the year	4 scripts at \$130 each; \$520 total	You pay \$52 (annual deductible met, you pay 10% coinsurance)	You pay \$120 (\$30 mail order co-pay for each script, deductible does not apply)
Your visit an orthopedic specialist for back pain	\$200	You pay \$20 (annual deductible met, you pay 10% coinsurance)	You pay a \$20 co-pay (deductible does not apply)
You go for physical therapy (12 visits total)	\$1,080	You pay \$108 (annual deductible met, you pay 10% coinsurance)	You pay \$288 (\$200 individual deductible plus 10% coinsurance on the remainder)
Total Annual Cost	\$5,070	HSA paid \$1,000; You pay \$1,627	You pay \$915
Total premiums you paid for the year*		\$1,790	\$2,696

EXAMPLE #3 – High claims totaling \$17,730

Your total costs for the year		\$4,683	\$4,841
Service Received	Cost		
You and your spouse go for annual physicals	\$400	You pay \$0; Plan pays 100%	You pay \$0; Plan pays 100%
You have outpatient surgery	\$2,270	HSA Contribution is used to pay \$1,000; You pay \$1,270 (applied to annual deductible)	You pay \$407 (\$200 individual deductible plus 10% coinsurance on the remainder)
You have two follow-up office visits	\$200	You pay \$137 (\$130 applied to deductible to meet the total of \$2,400, plus 10% coinsurance on the remainder)	You pay \$40 (\$20 co-pay for each visit, deductible does not apply)
Your spouse has inpatient surgery with a two night hospital stay	\$14,600	You pay \$1,460 (annual deductible met, you pay 10% coinsurance)	You pay \$1,640 (\$200 individual deductible plus 10% coinsurance on the remainder)
Your spouse fills two generic retail prescriptions	\$30 per script; \$60 total	You pay \$6 (annual deductible met, you pay 10% coinsurance)	You pay \$18 (30% coinsurance, deductible does not apply)
Your spouse has two follow-up office visits	\$200	You pay \$20 (annual deductible met, you pay 10% coinsurance)	You pay \$40 (\$20 co-pay for each visit, deductible does not apply)
Total Annual Cost	\$17,730	HSA paid \$1,000; You pay \$2,893	You pay \$2,145
Total premiums you paid for the year*		\$1,790	\$2,696

* Note: Your premiums paid for the year are the total of your pre-tax deductions taken out of your paycheck for medical coverage.