

## Consumer-Driven Health Care Plans

Presented By The Reschini Group

## Qualified High Deductible Health Plan



## Qualified High Deductible Health Plan (QHDHP)

What is a deductible?

The amount you owe for health care services (that your health insurance or plan covers) before your health insurance or plan begins to pay.

For example, if your deductible is \$1,500, your plan won't pay anything until you've met your \$1,500 deductible for covered health care services subject to the deductible.



## Qualified High Deductible Health Plan (QHDHP)

What makes a plan a QHDHP?

The IRS sets limits for the minimum annual deductible:

- 2015 individual limit is \$1,300
- 2015 family limit is \$2,600

The IRS sets limits for the maximum annual out-of-pocket:

- 2015 individual limit is \$6,450
- 2015 family limit is \$12,900



## Qualified High Deductible Health Plan (QHDHP)

What makes a plan a QHDHP?

With the exception of preventive services, the deductible applies to covered medical services and prescription drugs.

Deductibles are non-embedded. This means the family deductible must be met by one or more family members for benefits to begin. The individual deductible can only be met by those who enroll in Employee-Only coverage.



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## Qualified High Deductible Health Plan (QHDHP)

What do you need to know?

Your provider network does not change. You have the same access to doctors and hospitals that you have today.

The covered services on your health plan will not change.

Your payments are based on the Blue Cross network-negotiated discounts. The discounted rate for all in-network medical services and prescription drugs is the member's responsibility until the deductible is satisfied.

You can establish a Health Savings Account (HSA).



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## Health Savings Account

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### Health Savings Account (HSA)

What is a Health Savings Account?

This is a medical savings account set up and used to pay for eligible medical expenses.

Contributions can be made by both you and your employer.

Your contributions can be taken directly from your paycheck before taxes and deposited into your account.

Balances carry forward from one year to the next, and the account belongs to you.



## Health Savings Account (HSA)

What are the tax advantages to an HSA?

Contributions to an HSA are tax deductible.

Interest earned or investment gains in an HSA are not taxable.

Withdrawals from an HSA for eligible expenses are not taxable.

*Withdrawals for non-medical expenses are subject to income taxes and an additional penalty if age 65 or under.*

HSA's must be coupled with a qualified high-deductible health plan.



## Health Savings Account (HSA)

How much can you contribute to an HSA?

The IRS sets limits for the maximum annual contribution:

- 2015 individual limit is \$3,350
- 2015 family limit is \$6,650

Individuals 55 or older may be eligible to make an additional catch-up contribution of \$1,000 per year.

The contribution limit applies to the sum of employer and employee contributions.



## Health Savings Account (HSA)

Who can have an HSA?

To be an eligible individual and qualify for an HSA, you must meet the following requirements:

- You must be covered under a qualified high deductible health plan, on the first day of the month.
- You have no other health coverage except a qualified high deductible health plan.
- You are not enrolled in Medicare or TRICARE.
- You cannot be claimed as a dependent on someone else's most recent tax return.



## Health Savings Account (HSA)

Are there other limitations to when you can have an HSA?

If you are covered by a general purpose medical flexible spending account (FSA) or a health reimbursement arrangement (HRA) that pays for or reimburses eligible medical expenses, then you cannot make contributions to an HSA.

You cannot make contributions to an HSA if your spouse has a general purpose medical FSA or a HRA that pays for or reimburses eligible medical expenses which would cover your expenses as a dependent.

You can be covered by a limited purpose FSA or HRA.



## Health Savings Account (HSA)

When can you use money from your HSA?

You can use money from your HSA for qualified medical expenses.

Qualified medical expenses are those incurred by the following persons:

- You and your spouse.
- All dependents you claim on your tax return.
- Any person you could have claimed as a dependent on your return except that:
  - a. The person filed a joint return,
  - b. The person had gross income of \$3,900 or more, or
  - c. You, or your spouse if filing jointly, could be claimed as a dependent on someone else's tax return.



## Health Savings Account (HSA)

When can you use money from your HSA (continued)?

In addition to your deductible expenses under your QHDHP, you can be reimbursed for other current and future qualified medical expenses from your HSA. Expenses incurred before you establish your HSA are not qualified medical expenses.

IRS Publication 502 provides additional information on qualified medical expenses.





## Highmark Blue Cross Blue Shield

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### QHDHP and HSA

What can you expect next?

- New ID cards from Highmark Blue Cross Blue Shield
- Bank of America - HSA account opens automatically
- OFAC check takes place
- Bank of America - Welcome Kit and Debit Cards
- HSA funding may take a week
- Visit the Highmark Blue Cross Blue Shield website
- Investment options are available if your HSA balance exceeds \$500



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## QHDHP and HSA

What do you need to do once your account is established?

- Add a beneficiary to your HSA
- Sign up for direct deposit from your HSA
- Authorize to have Highmark pay providers on your behalf
- Determine how you want to pay deductible claims
  - Debit card
  - Direct payment to provider from your HSA
  - You pay and get reimbursed from your HSA via check or direct deposit



## Welcome

to your new member home page

Take a look around! You're going to see a lot of changes.

If you want, we can highlight a few things you might be looking for

Check back often for more updates.



Highlight page changes

Jane Doe

### Member Information

QHDHP ID: 8333

Member ID

1111111111

Group

123456

Other member information >>

13 Coins >>

Coverage summary >>

### NEW CLAIM(S)

View or enter fast Claims visit

Review claim >>

### SPENDING ACCOUNT

You have 2 credits

Check your account >>

### WELLNESS PROGRAMS

These wellness programs can help you stay healthy and save money.

MEMBER DISCOUNTS

REWARDS PROGRAM

WELLNESS PROFILE

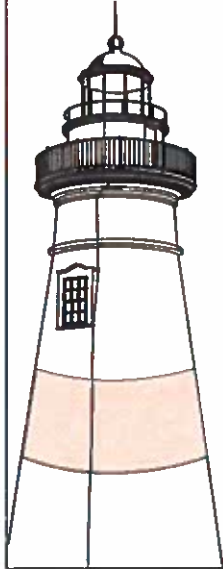
### HEALTH CARE TOOLS

Use our health tools to help manage costs and plan for your care.

FIND A PROVIDER

PRESCRIPTION SERVICES

CARE COST ESTIMATOR



# Questions