

CARES Benefits 101

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SPECIAL POINTS OF INTEREST:

- The High Deductible Health Plan (HDHP) covers preventive care at 100% even before the deductible is met
- HDHP allows you to see any provider you choose, but you may pay less if you see an in-network provider

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HDHP and HSA Questions & Answers

CARES IS ADDING A NEW CHOICE TO THE EXISTING MEDICAL BENEFIT OPTIONS AVAILABLE TO MEMBERS

High Deductible Health Plan (HDHP)

A High deductible Health Plan (HDHP) is a medical benefit design with coverage that starts after a relatively large deductible has been met. The plan will then pay a percentage of eligible expenses until the out-of-pocket maximum is reached. Thereafter, covered expenses are paid at 100% for the remainder of that year. The plan has a higher deductible paired with a lower monthly premium contribution which may be more economical for you.

Preventive Care, including physical exams, routine diagnostic tests, mammograms and immunizations are covered even before the deductible is met. Like all CARES plans, Preventive Care is paid at 100%.

Starting with this newsletter and the ones to follow, we hope to answer your questions, make you more comfortable with a High Deductible Health Plan, and get you ready to make your enrollment decisions.

“The Plan has a higher deductible paired with a lower monthly premium contribution”

How Does it Work?

Effective January 1, 2011, CARES is adding a high deductible Health Plan (HDHP) option.

With the HDHP, the employee will pay the first dollars of prescription, doctor, hospital, lab, and x-ray charges. All eligible charges will accumulate toward the deductible. The HDHP that CARES is offering *can* be paired with a health savings account (HSA) if you choose to fund your own HSA.

First, you will pay for all your prescriptions, doctor's visits, hospital and other eligible medical services until you reach the deductible. **Note: Preventive care will be paid at 100% for In Network Providers. Out-of-Network providers are limited to reasonable and customary charges.**

<u>Annual Deductible</u>	<u>In network *</u>	<u>Out-of-Network</u>
Individual	\$2,400	\$2,400
Family	\$4,800	\$4,800

Then, the Plan will pay:

Prescription Drugs	80%	60%
All other eligible medical services	80%	60%

After you reach the out of pocket the plan will pay 100% of eligible charges for the remainder of the plan year

Out of pocket Maximum:

Individual	\$5,950	No limit **
Family	\$11,900	No limit **

* You may use any provider you choose, but you may pay less if you see an in-network provider.

** If you choose out-of-network providers your out-of-pocket is not limited.

IMPORTANT NOTE: IRS regulations do not permit an HDHP to pay a prescription drug benefit before the Plan's deductible is met. Prescription charges will apply to the deductible and once the deductible is met, prescription benefits are payable at the Plan's coinsurance level of 80%.