



# In The Loop

A Newsletter for the Partners of GSG  
July 2007

## ***Special Edition- HSAs and High Deductible Health Plans for Members***

GSG announced six new initiatives at the Member Gateways' Partner meeting June 6, 2007. Following is an Executive Summary of the HSA/HDHP opportunity.

### **Strategic Partner:**

Moreton & Company

- Established 1910 with world-wide service capabilities
- Leading risk manager and consultant
- Committed to working with GSG to leverage collaborative model

### **Products/Carriers:**

Individual Health Insurance or HDHPs ( High Deductible Health Plans) and Health Savings Account Option ( H.S.A.) Multiple carriers are available based on member's location and health profile.

### **Value Proposition:**

Members will have access to a co-branded website link that will allow them to receive multiple quotes based on their needs. If the member is interested in applying for coverage they will have the ability to complete an application online and submit to the insurance carrier. There will be a dedicated "800" number for members to contact a licensed insurance representative to answer all questions they may have about their options.

A marketing campaign will be developed with the Credit Union to create the most visibility with members for the Individual Healthcare Program. Whenever possible the collateral materials will be co-branded with the Credit Union's logo. The campaign will include but not be limited to the following: newsletter articles, statement stuffers, on-hold messages, materials for MSRs, materials for Financial Planning Representatives, new member packets and Lobby materials

### **Highlights by Product:**

#### *What Is a "High Deductible Health Plan" (HDHP)?*

You must have an HDHP if you want to open an HSA. Sometimes referred to as a "catastrophic" health insurance plan, an HDHP is an inexpensive health insurance plan that generally doesn't pay for the first several thousand dollars of health care expenses (i.e., "deductible") but will provide coverage after you pass the deductible. The HSA is designed to allow the management and payment of expenses that the plan does not cover.

In order to qualify to open an HSA, the HDHP minimum deductible must be at least \$1,050 (self-only coverage) or \$2,100 (family coverage). The annual out-of-pocket (including deductibles and co-pays) cannot exceed \$5,250 (self-only coverage) or \$10,500 (family coverage). HDHPs can have first dollar coverage (no deductible) for preventive care and apply higher out-of-pocket limits (and co pays & coinsurance) for non-network services.

#### *What is a Health Savings Account ("HSA")?*

A Health Savings Account is a savings product that offers consumers a different way to pay for health care. HSAs enable payment for current health expenses and save for future qualified medical and retiree health expenses on a *tax-free basis*. You must be covered by a HDHP to be able to take advantage of HSAs. An HDHP generally costs less than what traditional health care coverage costs, so the money that you save on insurance can therefore be put into the Health Savings Account. You own and you control the money in your HSA. Decisions on how to spend the money are made by you without relying on a third party or a health insurer. The member can elect to hold HSA monies in a deposit account or direct funds into investment vehicles to grow the account over time.

### **For more information on any of the above topics contact:**

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