

STEVE ADAMS

Steve is a healthy 35-year-old who loves skiing and the outdoors. Being healthy is important to him, but he never really thinks about it. Unfortunately, he took a nasty spill on the slopes and had to have knee surgery later in the year. Since his expenses were higher than usual, Steve had some out-of-pocket expenses in his first year. His second year was more typical and he was able to begin to build savings in his HSA for the future.

Services used by Steve:

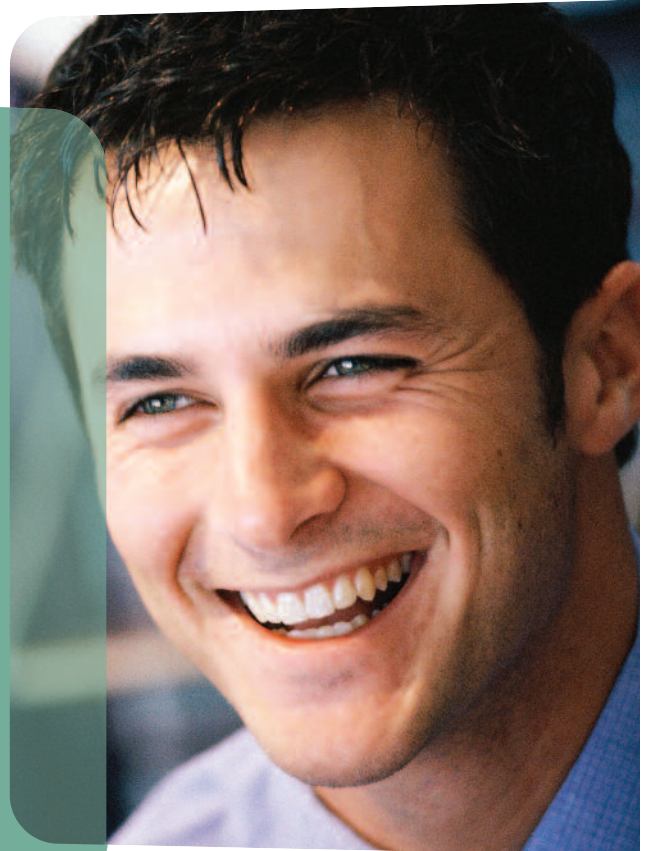
- Online Health Assessment
- Online physician directory and profiles
- 24-Hour Nurse Advice Line

Services to help Steve stay healthy:

- Online fitness program

STEVE ADAMS' HSA PLAN

Steve contributes \$1,500 to his HSA each year. His plan's deductible is \$2,000. If he chooses to use his HSA to pay for covered services, this will reduce the out-of-pocket amount (the Bridge) needed to meet his deductible before the Traditional Health Coverage begins.



Year 1	
HSA: \$1,500 contribution	\$1,500
Total Expenses:	\$4,650
Preventive care services	\$250
Arthroscopic Knee Surgery	\$4,200
Prescription drugs	\$200
Paid by preventive care benefit – no deduction from HSA	\$250
Expense balance remaining	\$4,400
Amount paid from HSA (Steve's choice)	\$1,500
Steve pays remainder of Bridge amount needed to meet annual deductible (\$2,000 - \$1,500 = \$500)	\$500
Expense balance remaining	\$2,400
Amount paid by Traditional Health Coverage (90% x \$2,400 = \$2,160)	\$2,160
Steve pays coinsurance under Traditional Health Coverage (10% x \$2,400 = \$240)	\$240
Total Amount HSA and Plan Pays	\$3,910
Total Amount Steve Adams Pays	\$740
HSA Rollover to Year 2	\$0

Year 2	
HSA Balance: \$0 from Year 1, plus \$1,500 Contribution for Year 2	\$1,500
Total Expenses:	\$500
Preventive care services	\$200
Office visits	\$100
Prescription drugs	\$200
Paid by preventive care benefit – no deduction from HSA	\$200
Amount paid from HSA (Steve's choice)	\$300
HSA Rollover to Year 3	\$1,200

Since Steve did not spend all of his HSA dollars, he did not need to pay any additional amounts out-of-pocket this year.

THE SMITHS

The second year they were enrolled, George Smith had major surgery for his back. Thanks to their HSA savings from their first year, Mr. and Mrs. Smith had money in their HSA to help cover most of their Bridge amount in Year 2.

Services used by all the Smiths:

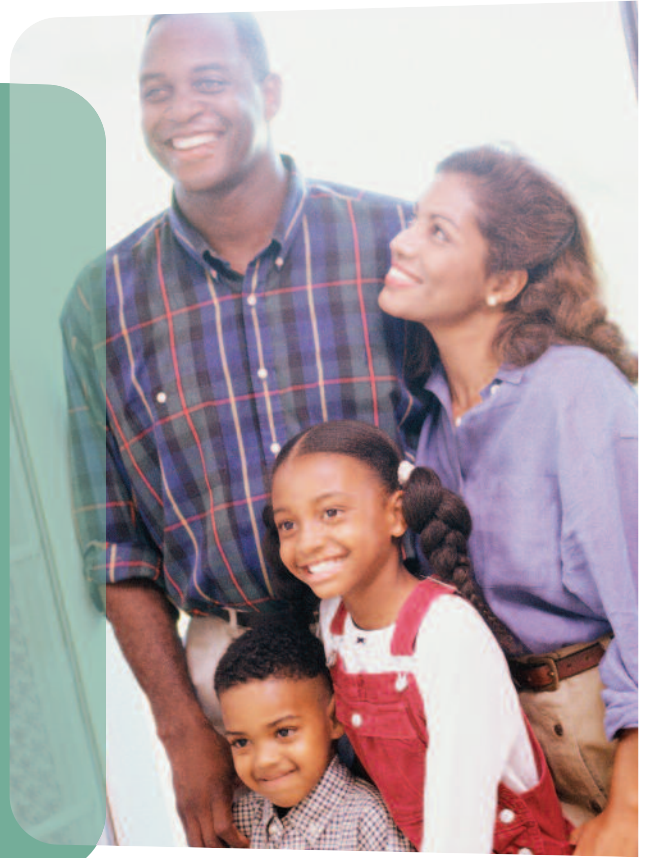
- Online Health Assessment
- Online family health record
- Online physician directory and profiles
- Online office visit guidelines
- 24-Hour Nurse Advice Line

Services to help with George's back surgery:

- Online hospital procedure guides – what to expect in the hospital, safety tips and self care at home
- Personal Health Coach support for home care after surgery

THE SMITHS' HSA PLAN

The Smiths contribute \$2,200 each year to their HSA for family coverage. Their plan's annual deductible is \$4,000. If they choose to use their HSA to pay for covered services, this will reduce the out-of-pocket amount (the Bridge) needed to meet their deductible before the Traditional Health Coverage begins.



Year 1	
HSA: \$2,200 contribution	\$2,200
Total Expenses:	\$1,500
Prescription drugs	\$200
Physical therapy	\$800
Preventive visits and lab tests	\$500
Paid by preventive care benefit – no deduction from HSA	\$500
Amount paid from HSA (the Smiths' choice)	\$1,000
HSA Rollover to Year 2	\$1,200

Since the Smiths did not spend all of their HSA dollars, they did not need to pay any additional amounts out-of-pocket this year.

Year 2	
HSA: \$1,200 from Year 1, plus \$2,200 contribution for Year 2	\$3,400
Total Expenses:	\$14,800
Preventive visits and lab tests	\$300
Hospital and surgery charges	\$14,300
Prescription drugs	\$200
Paid by preventive care benefit – no deduction from HSA	\$300
Expense balance remaining	\$14,500
Amount paid from HSA (the Smiths' choice)	\$3,400
Smiths pay remainder of Bridge (\$4000 - \$3400 = \$600)	\$600
Expense balance remaining	\$10,500
Charges paid by Traditional Health Coverage	\$8,400
<small>(80% x \$10,500 = \$8,400)</small>	
Smiths pay coinsurance under Traditional Health Coverage	\$2,100
<small>(20% x \$10,500 = \$2,100)</small>	
Total Amount HSA and Plan Pays	\$12,100
Total Amount the Smiths Pay	\$2,700
HSA Rollover to Year 3	\$0