

Summary of High Deductible Health Plan (HDHP) and Health Savings Account (HSA)

For the plan year beginning January 1, 2012, Wright State University is offering its employees a High Deductible Health Plan coupled with a Health Savings Account option through Fifth Third Bank. The High Deductible Health Plan provides you with the opportunity to control and manage your health care expenses to a greater degree than prior plans. You do so by choosing when to use and when to save HAS contributions to pay health expenses for you and your eligible family members.

The Anthem Lumenos High Deductible Health Plan provides 100% benefits once the \$2,000 network deductible/out-of-pocket maximum for coverage with no dependents is satisfied or once the \$4,000 network deductible/out-of-pocket maximum is satisfied for those with coverage for one or more dependents. The HDHP provides benefits for the same medical services, (Hospitalization, prescription drugs, surgery, etc.) as for other Anthem HMO and PPO coverages.

Until the network deductible is satisfied, you pay 100% of Anthem's contracted discount cost for each covered network expense you incur. **You do not pay a copayment of any eligible expense such as a prescription drug or a physician's office visit. This is the most significant difference between the High Deductible Health Plan and the Anthem Blue Preferred Primary HMO or Blue Access PPO.**

The Anthem HDHP has an annual deductible (the minimum a covered employee or family members pays out-of-pocket annual before benefits are payable by the plan) equal to the annual out-of pocket maximum (the maximum an employee or family member must pay out-of-pocket before 100% benefits are payable by the plan for all covered services for the remainder of the calendar year). The annual network deductibles/ out-of-pocket maximums are for 2012.

Employee Only Coverage	\$2,000
Employee + 1 Dependent Coverage	\$4,000
Employee + 2 or more Dependent Coverage	\$4,000

To help you fund this potential out-of-pocket maximum cost for 2012, the university will make the following contributions to a Health Savings Account. These dollars can be used to pay the cost you incur which are applied to the deductible. (Annual Contributions)

Coverage Type	HSA Employer Contribution for 2012	Total Allowed Contributions for 2012
Employee Only Coverage	\$1,400	\$3,100
Employee + 1 Dependent Coverage	\$2,600	\$6,250
Employee + 2 or more Dependent Coverage	\$3,000	\$6,250
Catch Up over 55		\$1,000

One fourth of the university's annual pre-tax contributions to your HAS are deposited in your account quarterly in January, April, July and October.

Although you are not required to contribute to an HSA, you can do so up to annual maximums set by federal law.

Employee contributions to your HAS can be made by pre-tax payroll deduction on a year-round basis or irregularly for as few or many times as you desire in the year. The amount of your contribution can also be changed with each contribution. Employee contributions to your HAS are deposited in your Health Savings Account at Fifth Third Bank, the selected custodian of Health Savings Accounts for employees electing the High Deductible Health Plans.

The dollars in your HSA are yours and can be transferred to a new employer's HSA if you leave Wright State University employment. Dollars remaining in your HSA at the end of the year are rolled over for use in the next year.

If you enroll in a High Deductible Health Plan for the first time in 2012, you will need to open an HSA checking account with Fifth Third Bank to receive the university's employer contributions and any employee contributions you choose to make. This account accrues interest on a tax-deferred basis and may be invested in a group of mutual funds when the balance reaches a required level.

Payments made for eligible expenses from your Health Savings Account are exempt from federal income tax.

Eligible expense for reimbursement from your Health Savings Account are listed in the Internal Revenue Code Section 213(d) and include the expenses that are applied to your deductible under the High Deductible Health Plan and your deductible and other out-of-pocket expenses under your dental and vision coverages. You can use your HSA dollars to reimburse eligible expenses for your spouse and dependent children even if they are not covered by your High Deductible Health Plan.

Ineligible expenses can be reimbursed from your HSA but are taxable and subject to a 20% penalty.

An employee electing a Health Savings Account will not be eligible to enroll for a Health Care Flexible Spending Account in the same plan year.

Certain individuals are not eligible to enroll for a Health Savings Account. They include:

- Anyone who is NOT covered by a High Deductible Health Plan;
- Anyone who is covered under another medical plan that is not a High Deductible Health Plan;
- Anyone who is entitled to Medicare benefits; and
- Anyone who is eligible to be claimed as a dependent on another person's income tax return.

Employees who elect a High Deductible Health Plan for 2012 can select a different health plan for 2013. Employees who do not elect a High Deductible Health Plan for 2012 can elect an HDHP for 2013.

You should keep copies of medical receipts and Explanations of Benefits to verify the validity of expenses reimbursed from your Health Savings Account.