Consumer-Driven Health Plans
Consumer-Driven Health Plans (CDHP)

- What are they
- Key components of CDHP
- Glossary of terms
- How do they work
- How can you identify a member who is on a CDHP
What is a Consumer-Driven Health Plan? (CDHP)

- **CDHP are health plans that engage covered individuals in:**
  - improving their own health and taking control over health care decisions
  - taking control over choosing their own health care providers
  - managing their own health expenses
Three key components of CDHPs

- **An affordable high-deductible health plan**
  - HealthyBlue, SimplyBlue and BluePPO

- **A funding account**
  - Health Savings Account – HSA
  - Health Reimbursement Account – HRA
  - Flexible Spending Account - FSA

- **Online health information and health tools and resources**
How does it work?

Preventive Services
- 100%
- Plan provides full coverage

Other Services
- Until deductible amount is reached
- Employee pays a deductible up to a certain amount
- After deductible amount is reached
- 100%
- 20%
- 80%
- Once the deductible costs are reached, the employee pays a percentage called coinsurance

The funding account
- HRA, HSA, or FSA funds are used to pay for qualified medical expenses that are the employee’s responsibility

Plan pays  Patient pays
### Types of funding accounts

<table>
<thead>
<tr>
<th>Overview</th>
<th>Health Saving Account (HSA)</th>
<th>Health Reimbursement Account (HRA)</th>
<th>Flexible Spending Account (FSA)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>A tax-free, employee-owned account that combines with a high-deductible health plan to help employees save on qualified medical expenses</td>
<td>A tax-free medical reimbursement plan funded by the employer that pays for qualified medical expenses by the end of each year</td>
<td>A tax-free spending account used for qualified medical expenses, which must be used</td>
</tr>
<tr>
<td>Is a high-deductible health plan required</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Who owns the account?</td>
<td>The employee</td>
<td>The employer</td>
<td>The employer</td>
</tr>
<tr>
<td>Who funds the account?</td>
<td>Employers and employees</td>
<td>The employer</td>
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</tr>
<tr>
<td>Are there contribution limits?</td>
<td>In 2011, the maximum is $3,050 for single coverage, and $6,150 for family</td>
<td>The employer controls contributions limits</td>
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</tr>
<tr>
<td>Is the account transferable?</td>
<td>Yes, since the employee owns the account</td>
<td>Maybe. It depends on how the employer designs the plan</td>
<td>Money not used by the end of a given year is forfeited to the employer</td>
</tr>
<tr>
<td>What are the advantages?</td>
<td>• Both employer and employee can contribute • Account is transferable • Employee has investment options • Expansive list of qualified medical expenses • After the age of 65, employee can spend money on anything without penalties</td>
<td>• No trust required • Employer designs the plan • Cash flow advantage for the employer - no upfront funding required • Employer can decide to vest money or not • Employees can only spend money on qualified expenses</td>
<td>• Can be used with any commercial health plan • Can be combined with an HSA or HRA • Tax saving for the employers</td>
</tr>
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**Overview:**
- **Health Saving Account (HSA):** A tax-free, employee-owned account that combines with a high-deductible health plan to help employees save on qualified medical expenses.
- **Health Reimbursement Account (HRA):** A tax-free medical reimbursement plan funded by the employer that pays for qualified medical expenses by the end of each year.
- **Flexible Spending Account (FSA):** A tax-free spending account used for qualified medical expenses, which must be used.

**Is a high-deductible health plan required?**
- Yes: Health Saving Account (HSA), Health Reimbursement Account (HRA)
- No: Flexible Spending Account (FSA)

**Who owns the account?**
- The employee: Health Saving Account (HSA)
- The employer: Health Reimbursement Account (HRA), Flexible Spending Account (FSA)

**Who funds the account?**
- Employers and employees: Health Saving Account (HSA), Health Reimbursement Account (HRA)
- The employer: Health Reimbursement Account (HRA), Flexible Spending Account (FSA)

**Are there contribution limits?**
- In 2011, the maximum is $3,050 for single coverage, and $6,150 for family: Health Saving Account (HSA)
- The employer controls contributions limits: Health Reimbursement Account (HRA), Flexible Spending Account (FSA)

**Is the account transferable?**
- Yes, since the employee owns the account: Health Saving Account (HSA)
- Maybe. It depends on how the employer designs the plan: Health Reimbursement Account (HRA)
- Money not used by the end of a given year is forfeited to the employer: Flexible Spending Account (FSA)

**What are the advantages?**
- Health Saving Account (HSA):
  - Both employer and employee can contribute
  - Account is transferable
  - Employee has investment options
  - Expansive list of qualified medical expenses
  - After the age of 65, employee can spend money on anything without penalties
- Health Reimbursement Account (HRA):
  - No trust required
  - Employer designs the plan
  - Cash flow advantage for the employer - no upfront funding required
  - Employer can decide to vest money or not
  - Employees can only spend money on qualified expenses
- Flexible Spending Account (FSA):
  - Can be used with any commercial health plan
  - Can be combined with an HSA or HRA
  - Tax saving for the employers

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**Notes:**
- Employers and employees
- The employer
- No trust required
- Employer designs the plan
- Cash flow advantage for the employer - no upfront funding required
- Employer can decide to vest money or not
- Employees can only spend money on qualified expenses
- Money not used by the end of a given year is forfeited to the employer.
How it works in your office

1. **Bring It:** members are responsible for bringing their ID cards to each visit.

2. **Check It:** providers are responsible to ask for and check the member ID card at each visit.

3. **Go to Excellusbcbs.com/provider** to verify eligibility / benefits even if the member has presented his/her ID card.

4. **Call customer service** to verify eligibility/benefits.
How it works with providers and the plan

- Provider confirms the status of the deductible
- Provider informs member of policy regarding collecting payment up-front
- We encourage providers to submit a claim for processing before collecting up-front from the member.
- Always submit a claim regardless of the member’s status in meeting his/her deductible.

**Note:** If the provider requires payment up-front and it is determined on the remittance invoice that too much was collected, you will be required, by law, to refund the difference to the member.
Patient Payment Notification Notepad

Dear Valued Member,

Your plan may require member cost-sharing, which means that you may be responsible for paying a copayment, coinsurance, or for the service itself (if your deductible has not been met) to your physician or health care provider at the time of the visit.

Because your plan does not reimburse your physician or health care provider for these fees, please be considerate by paying promptly at a time agreed upon by you and your physician or health care provider.

Thank you!

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Ways to live healthier and save money
The goal of consumer-driven health care is to empower you to take control of your care.

Here are some things you can do to make sure you’re taking care of yourself and getting the most value for your dollar.

Use network providers
Access the in-network doctors, specialists and pharmacies listed on our website and you can save money on your care.

Get recommended preventive care
Preventive care is covered in full on your plan. Getting regular exams and screenings will help you live healthier. You can find a list of preventive services on our website.

Ask for generic drugs
Generic drugs are safe, effective, and approved by the Food and Drug Administration. They just cost you less. A lot less. Ask your doctor or pharmacist if generic drugs are right for you.

Take advantage of the online resources we offer
• Blue 365 - discounts on health and fitness products and services
• 6,000+ Health topics online
• Health coaching to provide you with answers to virtually any health care question
• Quit for Life® tobacco cessation program

Take care of yourself
Use Step Up - our free fitness and nutrition program.

Find health tips and healthy recipes on our website excellusbcbs.com/member

To order a supply of notepads, click HERE!
How to check member eligibility
excellusbcbs.com/provider
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excellusbcbs.com/provider

**Instructions:** Select a Benefit or Contract from the table below to view benefit details or contract summary (for example, visits used for limited benefits)

**Contract Description:** (Click on the contract you wish to view)
- HealthyBlue Copay $15/25 LTH

**Contract Summary:** (Contract name selected above)

<table>
<thead>
<tr>
<th>In Network Benefits (Select a Benefit from the table below to view additional benefit information)</th>
<th>Copay</th>
<th>Deductible</th>
<th>Coinurance</th>
<th>Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acupuncture</td>
<td>$25.00</td>
<td>$0.00</td>
<td>0%</td>
<td>10</td>
</tr>
<tr>
<td>Allergy Testing - PCP</td>
<td>$15.00</td>
<td>$0.00</td>
<td>0%</td>
<td>0</td>
</tr>
<tr>
<td>Allergy Treatment - Specialist</td>
<td>$25.00</td>
<td>$0.00</td>
<td>0%</td>
<td>0</td>
</tr>
<tr>
<td>Allergy Treatment - PCP</td>
<td>$15.00</td>
<td>$0.00</td>
<td>0%</td>
<td>0</td>
</tr>
<tr>
<td>Allergy Testing/Treatment-Specialist</td>
<td>$25.00</td>
<td>$0.00</td>
<td>0%</td>
<td>0</td>
</tr>
<tr>
<td>Ambulance-Ground</td>
<td>$250.00</td>
<td>$0.00</td>
<td>0%</td>
<td>0</td>
</tr>
<tr>
<td>Ambulance-Air</td>
<td>$250.00</td>
<td>$0.00</td>
<td>0%</td>
<td>0</td>
</tr>
<tr>
<td>Anesthesia</td>
<td>$0.00</td>
<td>$0.00</td>
<td>0%</td>
<td>0</td>
</tr>
<tr>
<td>Bone Density Testing</td>
<td>$0.00</td>
<td>$0.00</td>
<td>0%</td>
<td>0</td>
</tr>
</tbody>
</table>
How to check member eligibility
excellusbcbs.com/provider
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excellusbcbs.com/provider

View Member Deductible & Cost Sharing Information

Enter Member Information

Please Note: This feature is available for DAIYLEA CUSTOM EPO, BluePPO HSA, HealthyBlue HSA, FourFront and University of Rochester Health Care Plan members only.

Instructions:

Please enter any of the following combinations and click "Next"
1. Subscriber ID and Date of Birth - OR -
2. Subscriber ID, First Name and Last Name - OR -
3. Date of Birth, First Name and Last Name

Subscriber ID:  Enter without the 3 letter prefix, spaces or dashes
First Name:    Last Name:       
Date Of Birth: MMDDYYYY
Date Of Service: 03/03/2011 MMDDYYYY

Next  Clear Fields
How to check member eligibility
excellusbcbs.com/provider

View Deductible & Cost Sharing Inquiry

For members in our High-Deductible Plans

View Member Deductible & Cost Sharing Information

Deductible & Out of Pocket Limit Inquiry

The amounts below reflect claims we've processed from Jan. 1 through Dec. 31st for the selected year.

Calendar Year: 2010
Date of Last Claim Processed: 06/22/10

Member Details

<table>
<thead>
<tr>
<th>Member</th>
<th>Birth Date</th>
<th>Annual Deductible</th>
<th>Deductible Used</th>
<th>Deductible Remaining</th>
<th>Out-of-Pocket Used</th>
<th>Out-of-Pocket Remaining</th>
</tr>
</thead>
<tbody>
<tr>
<td>ANGELA</td>
<td>07/20/1966</td>
<td>$2,400.00</td>
<td>$95.37</td>
<td>satisfied</td>
<td>$1,761.16</td>
<td>$4,623.84</td>
</tr>
<tr>
<td>Family Totals</td>
<td>$2,400.00</td>
<td>$2,400.00</td>
<td>$2,400.00</td>
<td>satisfied</td>
<td>$2,802.44</td>
<td>$2,117.56</td>
</tr>
</tbody>
</table>

Family Policy Totals

- **In Network Deductible (Includes In and Out of Network Claims):**
  The member has met $2,400 toward their annual Network Deductible. Once that amount is met, claims will no be subject to a deductible.

- **In Network Out of Pocket Maximum (Includes In and Out of Network Claims):**
  $2,682.44 has been met. When the total met equals $4,800, claims will no longer be subject to a deductible and coinsurance.
Consumer Driven Health Care

Consumer driven health care (CDHC) puts you in control of your health care. The information below can help you understand the plan.

How it Works

You get great coverage with a High Deductible Health Plan and can add a Funding Account to help reduce out-of-pocket expenses, which could reduce your taxable income.

Key Components

- A High Deductible Health Plan
- Funding Account Options
- New Members - Get Started

Calculators

- Calculate Your Expenses
  - Use our HDHP Calculator or FSA Calculator

New member guide (brochure)

- New Member Guide
  - Download Our New Member Guide (PDF)

Hear from a Member

- How it works for singles and families

List of qualified expenses

- HSAs, HRAs and FSAs (PDF)