

LIBERTY UNION

FULLY FUNDED HSA PLANS



by **LIBERTY**  **UNION**
LIFE ASSURANCE COMPANY

Patient Protection &
Affordable Care Act
Certified Health Plans
for Businesses with
up to 100 Employees

Liberty Union's Fully Funded HSA Qualified High Deductible Health Plans

Liberty Union Fully Funded HSA Plans are innovative health plans designed for today's changing environment. These plans combine the best aspects of traditional Fully Insured Coverage with all the positives of Self Funded Plans. We call this design a Fully Funded Plan. With a Fully Funded HSA Plan, your business will benefit from flexible plan designs, low administration costs, the opportunity to get money back, and one fixed easy monthly payment. The Fully Funded HSA Plans operate seamlessly and will provide worry free coverage for your business and your employees. You can have peace of mind knowing that the Fully Funded HSA Plans are provided to you by a company serving small businesses for over 40 years. We have the knowledge and expertise to meet all your benefit needs.



A Health Savings Account (HSA) is a tax-advantaged savings account that is used in conjunction with a Liberty Union High Deductible Fully-Funded Health Plan (HDHP).

Since the beginning, HSAs have been the **fastest growing choice for employee benefits**. Why? Because HSAs save money while providing tax advantages for employees. Besides helping your business reduce health care expenses, HSAs add depth to your employee benefits with a consumer driven healthcare account solution.

Offering a HSA is a Win-Win Opportunity

HSAs Offer:*

- ✓ Tax Free Deduction on Contributions
- ✓ Tax Free Withdrawals for Qualified Expenses
- ✓ Tax Free Growth on Invested Funds

With a HSA, both you and your employees are able to make tax-free payroll contributions to the HSA to help employees pay for eligible out-of-pocket medical expenses. Since pre-tax dollars are used, your employees increase their take-home pay and have more control over their healthcare.

*The HSA account is established separately and is not included with the medical plan selected.



Designing Your HSA Plan Is As Easy As 1-2-3

Pick One From Each Category

✓ **Pick Your In-Network Deductible** *(2x Family)*

\$1,500	\$2,000	\$2,500
\$3,000	\$4,000	\$5,000

✓ **Pick Your In-Network Co-insurance** *(Out-of-Network in Parenthesis)*

100% (50%)	80% (50%)
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✓ **Pick Your Stop Loss** *(Out-of-Network in Parenthesis)*

\$5,000 (\$40,000)	\$10,000 (\$40,000)	NONE*
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Optional Buy-Up – Auto Rider

Yes	No
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Out-of-Network Deductible is 2x In-Network Deductible. Stop Loss is 2x for family. The Stop Loss amounts of \$5,000 and \$10,000 do not include the deductible or the specialty drug co-insurance of 80% to maximum IRS HSA maximum out-of-pocket limit.

*If "NONE" is elected, the individual and family maximum out-of-pocket expenses (deductible plus co-insurance) will not exceed the IRS annual HSA limitations.

Plan Benefits and Maximums

Preventive and Wellness Services

Network Providers Only

>> 100% - *Deductible waived for eligible expenses.*

Ambulatory Patient Services

- >> Office Visits/Consultations -
Deductible and Co-insurance then 100%
- >> Urgent Care Physician -
Deductible and Co-insurance then 100%
- >> Specialist Visit -
Deductible and Co-insurance then 100%
- >> Allergy Testing & Therapy -
Deductible and Co-insurance then 100%
- >> Hospice – *In Home Unlimited, In Hospital 45 Days*
Deductible and Co-Insurance then 100%
- >> Home Health Care - *Deductible and Co-Insurance then 100%*
- >> Mastectomy Prosthetics - *Deductible and Co-Insurance then 100%*

Emergency Services

- >> Hospital Emergency Room -
Deductible and Co-Insurance then 100%
- >> Urgent Care Facility -
Deductible and Co-Insurance then 100%
- >> Ambulance -
Deductible and Co-Insurance then 100%
- Medically Necessary Only

Diagnostic / Laboratory Services

- >> X-Ray / Lab/ Testing -
Deductible and Co-Insurance then 100%

Maternity & Newborn Care

- >> Maternity: Delivery, Complications of pregnancy and non-network pre and post natal care
Deductible and Co-Insurance then 100%
- >> Routine Pre and Post Natal Care
(Payable under Preventative Care Benefits)
100% Deductible & Co-Insurance waived
-NETWORK PROVIDERS ONLY

Hospitalization

- >> Hospital Visit/Consultation -
Deductible and Co-Insurance then 100%
- >> Inpatient Stay - *Deductible and Co-Insurance then 100%*
- >> Skilled Care - *Deductible and Co-Insurance then 100% - 45 days*

Pediatrics Services

Network Providers Only

- >> Pediatric Dental Benefits: Dental coverage for Children to Age 19
Deductible and Co-insurance then 100%
- >> Pediatric Vision: Includes Vision Exams, Lenses and Frames for Children to Age 19
100% Deductible Waived for Eligible Expenses

Prescription Drugs

- >> *Deductible and Co-insurance then 100%*
- >> Specialty Drugs -
Deductible 80% Co-insurance - Maximum out-of-pocket = annual IRS HSA maximum out-of-pocket limit

Surgical Services

- >> Inpatient Surgery - *Deductible and Co-Insurance then 100%*
- >> Outpatient Surgery - *Deductible and Co-Insurance then 100%*

Mental Health & Substance Use Disorder Services

- >> Psychiatric Inpatient - *Deductible and Co-Insurance then 100%*
- >> Psychiatric Outpatient - *Deductible and Co-Insurance then 100%*
- >> Substance Abuse Inpatient -
Deductible and Co-Insurance then 100%
- >> Substance Abuse Outpatient -
Deductible and Co-Insurance then 100%

Rehabilitative and Habilitative Services

- >> Habilitative Service for Autism Spectrum Disorders
Deductible and Co-Insurance then 100%
- >> Durable Medical Equipment and Devices
Deductible and Co-Insurance then 50%
- >> Outpatient Speech Therapy - *30 Visits per Year*
- >> Outpatient Cardiac & Pulmonary Rehabilitation Therapy
- *30 Combined Visits per Year*
- >> Outpatient Physical, Occupational and Chiropractic Therapy
- *30 Combined Visits per Year*

Other Maximums

- >> Coverage Period Maximum - *Unlimited*
- >> Psychiatric Coverage Period Maximum - *Unlimited*
- >> Substance Abuse Coverage Period Maximum - *Unlimited*

All plans are PPACA compliant to cover all mandated essential health benefits. (EHB)

Good Dental Means a Great Smile

The advantages of a cost-effective dental plan are obvious when the plan contains genuine benefits that people can really use. A good dental plan serves as an outstanding employment incentive and morale builder for employees and their families.

Liberty Union offers just such plans to our employer groups. There are four plan design options to choose from utilizing a network of participating dentists and specialists. In addition to minimizing employee out-of-pocket expenses and keeping employer costs under control Liberty Union Plans offer excellent benefit coverage. What could be better?

Schedule of Benefits: Dental Plan Options

Liberty Union offers optional fully insured dental plans when the group elects medical coverage. The dental plan options below are sold in combination with any of the Liberty Union Medical Plans. Please review the benefits of the Liberty Union Dental Plans. You'll find once again, we take the steps to take care of our employer groups. Fully-insured dental plans are sold separate from the medical plan.

Schedule of Benefits	Dental Plan A	Dental Plan B	Dental Plan C	Dental Plan D
Maximum Benefit Paid per Coverage Period	\$1,500	\$1,500	\$1,000	\$1,000
Deductible per Coverage Period				
Preventative (not applied to Class I)	-0-	-0-	-0-	-0-
Per Person	\$25	\$25	\$50	\$25
Per Family	\$75	\$75	\$150	\$75
Percentage Payable By Class				
Class I (Preventative)	100%	100%	100%	100%
Class II (Routine)	100%	80%	80%	50%
Class III (Major)	100%	50%	50%	50%
Optional Orthodontia (Two choices)				
Per Person Lifetime Maximum	\$1,000	\$1,000	\$1,000	\$1,000
or	or	or	or	or
Per Person Lifetime Maximum	\$1,500	\$1,500	\$1,500	\$1,500

This is a stand-alone dental plan. This plan pays secondary to plans providing Pediatric Dental essential health benefits.

Schedule of maximum covered charges:

Dental plans include a published schedule of maximum payment allowances. Both the insured member and dentists know, in advance, what charges will be allowed.

Schedule of dentists:

All insured members are free to receive care from any dentist and may change dentists at any time. Insured members have less out-of-pocket expenses when they receive care from a PPO participating dentist.

Optional:

Reasonable and customary non network plans available.

Pre-Determination:

Dental plans provide Pre-Determination for dental services which exceed \$500. Insured members may request their dentists to submit, in advance of treatment, a claim form with x-rays outlining the proposed course of treatment. Pre-Determinations are completed and notifications mailed with in five business days.

Orthodontia Option:

The Liberty Union orthodontia benefit covers appliances and treatment for dependent children under the age of 19 when such treatment begins one year after a dependent's effective date of dental insurance. Class IV (Orthodontia) services are payable at 50% up to the lifetime maximum.

Customize Your Plan to Fit Your Needs

There are times when additional forms of coverage are necessary, Liberty Union can help with those, too. Supplemental Life and Dependent Life Insurance are popular among employees, assuring them of the employer's concern for their well-being as well as peace of mind for their dependents.



Optional Supplemental Life Insurance Benefit

In addition to the basic required \$15,000 term Life/AD&D benefit your group may elect to offer Supplemental Term Life Insurance.

If an employee is eligible for and is enrolled in the required group term life he may also elect a supplemental life benefit, in \$10,000 increments, up to a maximum of \$250,000. The maximum amount cannot exceed five times the employee's annual salary.

Issuance of Supplemental Term Life Insurance is subject to satisfactory evidence of insurability. Supplemental Term Life Insurance is not subject to other policy provisions such as accidental death and dismemberment.

Increases to your Supplemental Term Life Insurance may be requested during the group's open enrollment period only.

Optional Dependent Life Insurance Benefit

Liberty Union offers optional Dependent Life coverage to all employer groups electing medical coverage.

Please review the terms, provisions and benefits of the Liberty Union Dependent Life Benefit Options. You'll see Liberty Union is ready to take care of employer's needs. Dependent Life Insurance is optional and may be chosen in either one or two "units" per eligible, enrolled dependent. A "unit" consists of \$2,500 group life insurance on the employee's spouse and \$1,000 group term life insurance.

Optional Automobile Injury Coverage

All Liberty Union plans exclude auto related conditions from benefit coverage. Auto related coverage may be added to your group health plan as an optional benefit.

Here's how Liberty Union HSA Plans take care of business

Easy service access. Easy administration.

Liberty Union coverage is easy to use. Our PPO providers honor the Liberty Union identification card. NO claim forms are needed for care received through their network facilities.

Claims management is handled by a highly experienced staff of professionals. Processing is prompt and efficient. Most importantly, if questions arise, employers and covered employees have easy access to our member service representatives. All personnel with Liberty Union are ready to assist with any questions you may have.

Group Life and Accidental Death and Dismemberment

Coverage may be chosen under one of three plans, subject to a \$15,000 minimum per employee.

- >> Level Coverage Plan - All eligible insured for an even \$15,000.
- >> Coverage by Multiples of Salary - Coverage may be a multiple of salary.
- >> Class Coverage Plan - Coverage may vary by class of employee provided:
 - At least two insured employees are in each class;
 - No more than three classes are established;
 - The amount of insurance for a class cannot exceed two and one half times the amount of the next lower class.

Maximum Coverage - base amount prior to supplemental life elections is \$15,000. The amount for which an employee is insured is automatically reduced 35% at age 65. Coverage terminates at retirement, but not later than age 70.

Available Optional Benefits

- >> Dental and Orthodontia
- >> Dependent Life
- >> Supplemental Life
- >> Auto Related Coverage

Eligibility Requirements

Group size: All groups must have a minimum of two full-time eligible employee covered under the medical plan. Groups in excess of 100 eligible employees must receive approval for a proposal from the home office before a quote may be issued.

Group Participation

An employer may participate in the benefit program only if a certain percentage of its employees enroll in the plan.

- >> Employers with two or more employees must enroll 75% of their medically eligible employees.
- >> All groups must complete applications for all eligible employees and all covered dependents providing complete medical information before the employer is considered to be eligible.
- >> All employees must apply if the employer pays the entire employee cost.

Employees

Full-time employees are active, permanent employees who regularly work 30 or more hours per week.

Dependents

Eligible dependents include the lawful spouse and children from birth to the attainment of age 26.

Group Effective Dates

Coverage for new groups will become effective on the first of the month as requested and approved by Underwriting. Liberty Union Life reserves the right to rate coverage for the appropriate medical risk or decline coverage if all enrollment, participation or contribution requirements are not met.

Individual Effective Dates

Newly hired, full-time employees are effective based on the waiting period elected by the employer; but not later than the exact date following the maximum waiting period of 90 days.

Auto Exclusion

We exclude auto-related conditions from our standard plans. In Michigan, employees have full medical coverage available under their no-fault auto insurance. Though the standard Liberty Union benefit plans exclude any expenses related to auto accidents it may be elected as an option with all plans.

This information is a brief description of the plan designs offered by Liberty Union Life Assurance Company. Any discrepancy between the benefits listed above and the Plan Document, the Plan Document and any amendments made to such will prevail.



LIBERTY UNION

LIFE ASSURANCE COMPANY

HSA PLANS

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Liberty Union is a Michigan based Life/Health Insurance Company that has been servicing Michigan Small Businesses for over 40 years.

www.libertyunionlife.com

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