

Take Control of Your Healthcare Dollars

Consumer-Directed Health Plans



Introducing Consumer-Directed Health Plans

While “Consumer-driven” or “consumer-directed” health plans designs vary, all share two major advantages: employers rein in healthcare expenditures, while employees gain more control over their healthcare dollars.

How Our Consumer-Directed Plans Work

These plans combine a low-cost health insurance plan with a personal health spending account—either a health reimbursement arrangement (HRA) or a health savings account (HSA). Both are accessible with a debit card. The HSA/HRA-eligible design gives employers more choice. You can choose an appropriate plan design, the spending account that works best for your organization, and you can even customize the plan with optional benefits. Meanwhile, these plans empower members to make value-driven healthcare decisions. They learn to be wise healthcare consumers as they actively manage their account funds.

Top Layer: Personal Health Spending Account (HRA or HSA)



Employees can tap these funds to pay for eligible expenses while they’re meeting the health plan’s deductible. Because unspent funds can roll over and grow, there’s an incentive to use this money wisely.

Middle Layer: Gap

The gap is the difference between the spending account balance and the health plan’s deductible. If the employee’s healthcare expenses during the year exceed their spending account balance, the gap is the amount they pay out of pocket before the health plan’s benefits begin.

Bottom Layer: Low-cost health plan

The benefit package includes a low-cost health insurance plan. Available plans depend on which type of health spending account you select.

An HSA/HRA-Eligible Plan...

- Put employees in touch with real costs of care
- Empower members to manage their healthcare based on informed decisions
- Provide financial incentives for making smart choices
- Offer unparalleled choice and flexibility
- Provide convenience through streamlined account administration

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HSA or HRA?

If you're intrigued by the concept of consumer-directed plans, but are not sure which plan would fit your organization, this quick assessment can help you determine the best choice.

For each topic in the table below, please check the statement in column A, B, or C that best reflects your view.

Topic	A	B	C
Low-cost health insurance plan	<input type="checkbox"/> Employees would need to fund the spending accounts on their own	<input type="checkbox"/> My company would also provide funding toward the spending accounts	<input type="checkbox"/> I don't feel strongly either way.
Employees can use their account for certain types of healthcare expenses.	<input type="checkbox"/> Employees should be free to use their account funds as they see fit	<input type="checkbox"/> As the employer, I should have some control over eligible expenses	<input type="checkbox"/> I don't feel strongly either way.
When employees leave their job	<input type="checkbox"/> Any remaining account funds should belong to the employee	<input type="checkbox"/> Any unspent account funds should stay with me, the employer	<input type="checkbox"/> I don't feel strongly either way.
Health plan benefits	<input type="checkbox"/> I'm comfortable presenting my employees with a plan that requires a relatively high deductible (\$1,500 or more) before paying benefits	<input type="checkbox"/> I'm not sure a high-deductible plan is the best choice for my employees at this time; we need more flexibility in the plan design	<input type="checkbox"/> I don't feel strongly either way.
Owners or partners	<input type="checkbox"/> We have owners/partners, and it's important that they be able to participate in the spending account as well as the health plan	<input type="checkbox"/> My company doesn't have owners or partners, or it's not important for our owners/partners to have access to the spending account piece	<input type="checkbox"/> I don't feel strongly either way.

Tally the results

If you checked most of the statements in column:

- A. An **HSA** is probably your best choice.
- B. You might prefer an **HRA**.
- C. Your organization has the flexibility to choose **either an HRA or an HSA**.

Our Plans Stand Apart

We've taken the consumer-driven model a step further by adding innovative features you'll love. The result is a health plan offering choice, flexibility, simplified administration, and convenience for both you and your employees.

Debit Card

Your employees will love the convenience of using a debit card to access their health spending account. When it's time to pay for healthcare services, they simply present their card; there's no need to pay out of pocket or wait for a reimbursement check. Purchasing healthcare has never been so hassle-free!

Streamlined Account Administration

For administration of your health spending account, we've partnered with two separate entities. For HRA administration, count on Manley Services, a licensed third party administrator with more than 20 years experience in the Northwest. A subsidiary of PacificSource, Manley Services prides itself on accurate and efficient plan administration and excellent customer service. For HSA administration, we've teamed with a recognized expert, HSA Bank. Their streamlined enrollment process and low account fees set them apart from a growing crowd of HSA trustees.

One-stop Solution

With PacificSource and its committed partners, you can obtain your health plan and health spending account from a single source. And with streamlined administration, the paperwork is a snap.

Ready to Learn More?

By now you probably have a clearer idea of how consumer-directed plans work. The next step is to determine which type of spending account will best meet your organization's needs. The enclosed information provides more detail about each of these spending accounts, and your insurance agent can help you weigh the benefits of each as you make your decision.



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