

The Resource Center /  
Allied Industries  
January 2021 Open Enrollment  
HSA Plan



# Table of Contents

- Plan Overview
- Definitions
- Medical Benefits
- Pharmacy Benefits
- Health Savings Account FAQs
- Contact Information

# Plan Overview

- The HSA Plan is considered a **qualified** high deductible plan, since the deductible **must** be met for any medical and pharmacy services before payment by the Plan, except preventive services
- The Plan includes medical, prescription drug and routine vision benefits
- A Health Savings Account (HSA) **must** be set up with this plan. TRC contributes to the Health Saving Account through Direct Deposit 24 times per year on the 1<sup>st</sup> and 2<sup>nd</sup> pay each month.
- Utilizes both Independent Health and First Health networks for participating providers
- All ACA Preventive Services are covered in full

- Copayment – A fixed dollar amount you pay for a covered service or procedure.
- Deductible – The amount you pay out of your pocket towards covered medical services each year before the plan begins to pay for services.
- Coinsurance – The percentage you pay after the deductible has been satisfied for a covered service or procedure.
- Out of Pocket Maximum (OOP) – The most you would pay each year for covered medical and pharmacy services. If you reach your OOP maximum during a plan year, the Plan will pay for any additional covered services during that plan year at 100%.
- Health Savings Account – A type of savings account that lets you set aside money on a pre-tax basis to pay for qualified medical expenses.

In-Network coverage for the most commonly used benefits:

- Office Visit
  - TRC Primary Care: Covered in Full after deductible
  - All other PCP or Specialists: \$20.00 copay after deductible
- Urgent Care: 20% coinsurance after deductible
- Emergency Room: 20% coinsurance after deductible (waived if admitted as an In-patient)
- Inpatient Hospital stay: 20% coinsurance after deductible
- Outpatient Surgery: 20% coinsurance after deductible

Deductible (Medical and Pharmacy combined):

Single - \$1,500 / Family - \$3,000 (per person)

OOP maximum (Medical and Pharmacy combined):

Single - \$6,500 / Family - \$13,000

Beginning January 1, 2021, TRC's pharmacy benefits will be through Express Scripts, administered by RxBenefits.

When picking up a prescription or receiving services at a retail pharmacy, remember to present your Independent Health Id card with Express Scripts information on the back.

\*Prescription coverage will remain the same as last year:

- TRC Pharmacies: \$5/\$25/\$75 after deductible
- Retail Pharmacies: \$10/\$30/\$80/\$100 after deductible
- Maintenance / Mail order (90 day supply):  
\$20/\$60/\$160/\$200 after deductible

After January 1<sup>st</sup>, if you receive a medication considered "preventive", such as a flu shot, at a retail pharmacy, it will need to be billed to Express Scripts

# Health Savings Account FAQs

**What is the benefit for putting money into an HSA?** By making contributions toward an HSA, you can help put more money in your pocket while also saving for qualified medical expenses. An HSA offers a triple tax advantage:

- **Pre-tax Contributions** - The money put into an HSA is not taxed
- **Tax-free Earnings** - Any interest earned on the money is tax-free
- **Tax-free Withdrawals** - The money used to pay for qualified medical expenses is not taxed

An example of potential tax savings for someone with a taxable income of \$30,000 and a tax rate of 30%:

- With no HSA contribution, they will pay \$9,000 in taxes
- With a \$2,000 tax-free HSA contribution, their taxable income decreases to \$28,000, so they will pay \$8,400 in taxes

**What can I use my HSA money for?** You can use the money in your HSA account to pay for any “qualified medical expense” permitted under federal tax law. This includes most medical care and medications, as well as dental and vision care. HSAs can be used to pay for qualified medical expenses for you, your spouse and/or dependent children. Your banking institution should provide you a list of eligible medical expenses upon opening your account. The IRS maintains the official list of qualified medical expenses which can be found at [www.irs.gov](http://www.irs.gov) in IRS Publication 502, “Medical and Dental Expenses.”

**What happens to the money in my HSA account at the end of the year?** HSA dollars belong to the employee and are carried over at the end of the year.

**What happens to the money in my HSA account if I leave TRC?** The HSA account is owned by the employee and the account balance belongs to you if you were to leave. As long as you spend the funds on qualified health care expenses, there are no tax implications. You are only able to make deposits into an HSA account if you are enrolled in a qualified high deductible plan.

# Contact Information



If you have any questions regarding your benefits, please contact:

## Medical and Routine Vision

- Independent Health Customer Service  
(716) 631-2661 or 1-800-257-2753

## Dental

- Nova Healthcare an Independent Health Company  
1-800-999-5703

## Prescription Drug (after January 1<sup>st</sup> )

- RxBenefits (Express Scripts)  
1-800-334-8134

## Health Savings Account (HSA)

- Contact the financial institution where you set up your account

# Thank you

