

# TRH HIGH DEDUCTIBLE HEALTH PLAN

**Health Savings Account (HSA) Qualified**



**HEALTH PLANS**

*Live better. Save more.*



TRH offers High Deductible Health Plans which meet federal requirements for Health Savings Accounts. However, TRH does not administer HSAs or offer tax, investment, or legal advice.

## What is an HSA?

A Health Savings Account (HSA) is a special account owned by an individual where contributions are made to pay for current and future medical expenses. To qualify for an HSA, you must be covered by a High Deductible Health Plan (HDHP). TRH Health Plans has developed HDHPs which meet all federal guidelines and are designed specifically to be used in conjunction with HSAs.

## How does TRH's HSA-qualified High Deductible Health Plan differ from traditional health care plans?

- For family coverage, all family members' expenses apply to one deductible and out-of-pocket maximum so the full family deductible must be met before benefits are paid on any family member's claim.
- There are no copays. All covered services are subject to deductibles and coinsurance.
- HSA-qualified HDHPs are subject to federal tax regulations, which can change annually. TRH will perform a review every year to ensure its HDHP meets current HSA qualifications.

## Who is eligible for an HSA?

To qualify for an HSA, an individual or family members must:

- Be covered by an HDHP
- Not be enrolled in Medicare
- Not be claimed as a dependent on someone else's tax return (dependent children cannot establish their own individual HSAs)
- Not be covered by other health insurance, with the exception of specific disease or illness insurance and accident, disability, dental care, vision care, and long-term care insurance. You can also be covered by employee assistance programs, disease management or wellness programs as long as these programs do not provide significant medical care or treatment benefits. Individuals eligible for VA benefits can qualify for an HSA unless they have actually received VA health benefits in the previous three months.

## How much can I contribute?

HSA contribution limits are established annually by the federal government. Unused portions of your HSA contributions roll over each year, which allows you to build up savings. Additional special contributions apply for those currently age 55 and over. Consult your tax advisor or the IRS/Department of Treasury at [treasury.gov/offices/public-affairs/hsa/](https://www.treasury.gov/offices/public-affairs/hsa/) for more details.

## Why should I open an HSA?

- HSAs allow you to save money and reduce your taxable income. You will not be penalized or taxed on money withdrawn from an HSA to pay for eligible health care expenses. You can deduct your HSA contributions from your gross income on your tax return.
- The money you contribute to an HSA earns interest, plus you can choose from accounts that have investment options which can increase your savings. Again, these earnings are tax-free.
- An HSA can help you increase your retirement income. When you turn 65, you may no longer contribute to your HSA, but you can use the funds to pay for Medicare premiums (except for Medicare supplement plans) and other expenses not covered by Medicare. After you turn 65, you can also use HSA funds for non-qualified expenses without penalty, although those withdrawals will be subject to income tax.
- In the event of your death, your HSA can be transferred to a surviving spouse who can then begin using the funds in accordance with applicable guidelines and contributing funds if they are under age 65.
- You can use money from your HSA to pay for some health-related expenses not covered by your health plan. Examples include covered expenses applied toward your plan's deductible and coinsurance, and non-covered expenses such as contact lenses, dental care, qualified long-term care insurance premiums, and even over-the-counter drugs. However, HDHP health insurance premiums are generally not an eligible HSA expense.

## What are qualified expenses?

HSA funds can be used to pay for several types of medical expenses, including but not limited to:

- Health insurance plan deductibles and coinsurance
- Prescription and over-the-counter drugs
- Dental services, including braces, bridges and crowns
- Vision, including eyeglasses and lasik eye surgery
- Psychiatric and certain psychological treatments
- Long-term care services
- Transportation and lodging related to medical treatment

Consult your tax advisor for information about qualified medical expenses.

## Who is covered?

- Individual Coverage - Covers only you (does not include maternity benefits.)
- Family Coverage - Covers you, your spouse and eligible children up to age 26. Maternity benefits available after Family Coverage has been in effect for nine consecutive months.
- Two Person Coverage - Covers you and one dependent.
- Three Person Coverage - Covers you and two dependents.

## How much can I withdraw?

Withdrawals from an HSA cannot exceed the balance in the account at the time of withdrawal. However, if your eligible expense exceeds your balance, you can withdraw the remainder later once the HSA balance reaches that amount.

## Where can I set up an HSA?

TRH offers HSA-qualified HDHPs but does not offer HSA administration. You can contact your financial advisor or bank to see if they offer HSAs. (TRH does not offer tax, investment or legal advice. If such advice is needed, please consult with a professional in these fields.)

## Waiting period for pre-existing conditions

Benefits will not be provided for any pre-existing condition until a member has completed a waiting period of at least 12 months. A pre-existing condition is defined in the contract as “An illness, injury, pregnancy or any other medical condition which existed at any time preceding the effective date of coverage under this contract for which: Medical advice or treatment was recommended by, or received from, a provider of health care services; or symptoms existed which would cause an ordinarily prudent person to seek diagnosis, care or treatment.” The pre-existing condition waiting period will not apply to members under the age of 19.

## Benefit exclusion riders

Benefit exclusion riders are attachments to coverage which specifically and totally exclude certain conditions. A benefit exclusion rider can remain for the life of the coverage. The pre-existing condition waiting period does not apply to benefit exclusion riders.

## Quality health care coverage at an affordable cost

TRH offers HDHPs which use a large network of providers, hospitals, physicians, ambulatory surgical facilities, home health agencies, pharmacies and suppliers of durable medical equipment. Called the Blue Network P, it has more than 21,000 participating providers. The Blue Network P plan offers members a network of doctors and medical facilities that agree to provide health care services to plan members so that members save money using the network. When you join the plan and use network providers, you receive the highest level of benefits. You may also seek medical care outside the network from out-of-network providers, but substantially reduced benefits and higher out-of-pocket expenses may result.

## Paying network providers

Network providers have agreed to special pricing arrangements. You are responsible for your deductibles and coinsurance for covered services. There are no limits to your out-of-pocket expenses when you use out-of-network providers. Your benefits may be substantially reduced and your out-of-pocket expenses may be higher.

## Covered services

The following services and supplies are eligible expenses when they are medically necessary and are prescribed or performed by a physician for treatment of illness, accidental injury, or pregnancy:

- Hospital - inpatient and outpatient services
- Physician services - inpatient and outpatient
- Surgical services
- Emergency services
- Prescription drugs (including Prescription Home Delivery Service)
- Diagnostic services
- Home health care services
- Therapy services
- Behavioral health care services
- Durable medical equipment
- Transplants

Certain limitations may apply to covered services. Please review the contract for details on limitations and exclusions.

*Maternity benefits are available after Family Coverage has been in effect for nine consecutive months.*

## Cost-saving features

TRH Health Plans has several cost-saving features to help hold down health care costs. These cost-saving features are designed to ensure that you receive necessary health care services at the most appropriate time and in the most appropriate setting.

• **Prior Authorization** - Prior authorization is required for certain services. Some of those services include: inpatient hospital stays, home health care, skilled nursing facilities, private duty nursing, inpatient behavioral health care, transplants, hospice home care, prosthetic appliances, home infusion therapy and physical therapy when performed at home. A prior authorization confirmation is not a guarantee of benefit. Please see the contract for details and limitations.

• **Care Management** - Provides cost-effective treatment alternatives for patients with complicated, chronic, and/or catastrophic illnesses or injuries. In this way, the program maintains the patient's quality of care without the expenses involved in long-term hospitalization. These features are fully explained in the contract.

• **Pharmacy Network** - Benefits are available for prescription drugs subject to deductible and coinsurance. By showing your TRH Plan identification card at the time of filling a prescription at a network pharmacy, you will receive the benefit of negotiated pricing for your prescriptions. Using an out-of-network pharmacy can decrease the amount that you are reimbursed on prescription drugs (after your annual plan deductible has been met) from 80 percent to 60 percent. Since you pay the pharmacy up front, you can file a claim along with your prescription receipts for any eligible reimbursement. A reference number will be issued for each prescription filled, which should be submitted with a claim form for reimbursement. Claims are not electronically filed by the pharmacist.

## Your identification card

When you are accepted for TRH coverage, you will receive a TRH member identification card issued in your name for use by you and your eligible dependents. Because the plan is administered by BlueCross BlueShield of Tennessee, the TRH member ID card is recognized and accepted by health care providers throughout the United States and many foreign countries.

## Prescription home delivery

A Prescription Home Delivery service is also available to members. By using the service, members can enjoy the convenience of receiving many of their prescription drugs delivered right to their door. This service can also save you money. No benefits are available for prescription drugs purchased outside the U.S., unless approved by the plan.

## Exclusions

To help keep your coverage affordable, there are some services and supplies which are not covered. Some of these include:

- Pre-existing conditions during the pre-existing condition waiting period
- Services or supplies which are not medically necessary
- Investigative services or supplies
- Surgery mainly to improve appearance
- Routine examinations, screening, or immunizations, except as specified in the contract
- Custodial care
- Personal hygiene, convenience and luxury items
- Services or supplies in connection with the treatment of obesity
- Sexual dysfunction
- Self treatment or services provided by any person related to the member
- Routine dental care
- Dental appliances
- Eyeglasses, contact lenses or examinations for the fitting of eyeglasses or contact lenses
- Hydrotherapy, educational therapy, occupational therapy or recreational therapy
- Charges in excess of the maximum allowable charge

This is a partial list of exclusions. Please review the contract for a complete list of coverage exclusions.



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in each Farm Bureau office who can assist you.**

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**for a no-obligation information packet**

**or visit us on the web at**

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