

# *Saint Joseph's University*

## *High Deductible Health Plan and Health Savings Account*

### **Personal Choice High Deductible Health Plan**

The Personal Choice High Deductible Health Plan (“HDHP”) is a health plan with a front-end deductible instead of co-pays. The in-network deductible is \$1,500 for individuals and \$3,000 for family coverage. All covered benefits, except preventive care, apply to the deductible, including prescription drugs. The HDHP uses the same network of physicians and hospitals as the Personal Choice 20/30/70. All of the same treatments, procedures and services are covered under both plans. The employee will be responsible for payment for covered benefits until the deductible has been met.

### **Health Savings Account**

A Health Savings Account (“HSA”) is a tax-advantaged personal savings or investment account that individuals can use to save and pay for qualified healthcare expenses, now or in the future. To be eligible, an employee must be enrolled in a qualified high deductible health plan.

To be eligible for a Health Savings Account an employee cannot be covered by other health insurance that is not an HDHP and cannot be enrolled in Medicare. Employees covered by the Flexible Spending Account (FSA) must wait until the FSA coverage period ceases to establish an HSA.

Independence Blue Cross has a preferred relationship with The Bancorp Bank to provide HSA services to its members. SJU will deposit employee contributions to a Bancorp HSA through payroll deductions on a pre-tax basis, although employees may elect to open an HSA with the bank of their choice, but direct payroll deposit will not be possible.

Please note that an employee enrolled in the HDHP does not have to establish an HSA and may choose to fund the deductible with after-tax dollars.

**In the upcoming plan year, effective November 1, 2012, the University will again make a contribution of \$750 toward the deductible for employees who choose to enroll in the Personal Choice High Deductible Health Plan as follows:**

- The University will contribute \$62.50 to the employee’s HSA in the first pay of each month beginning November 2012 through October 2013.
- If an employee is currently enrolled in a Flexible Spending Account for the plan year (calendar year) 2012, and establishes an HSA in January 2013, the University will contribute \$125 to the employee’s HSA in addition to the \$62.50 in the first pay of January 2013, then \$62.50 will be contributed in the first pay of each month beginning February 2013 through October 2013.
- If an employee is Medicare-eligible and therefore is not eligible for an HSA, the University will provide \$62.50 in the first pay of each month as taxable compensation beginning November 2012 through October 2013.

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## *High Deductible Health Plan and Health Savings Account Frequently Asked Questions*



### **1. Does the High Deductible Health Plan's \$1,500 individual deductible apply to every family member?**

No, the \$1,500 individual deductible only applies when an employee elects employee-only coverage. For any plan covering more than one person, the family deductible of \$3,000 will always apply. If a single family member incurs \$3,000 in medical costs, this entire cost is out of pocket provided the deductible has not been met. Once the \$3,000 has been paid on an out-of-pocket basis, that employee and his covered family members have met the deductible for the remainder of that plan year.

### **2. I'm concerned about enrolling in the High Deductible Health Plan. What if we incur more medical expenses in the first few months than we have money to pay for?**

When you enroll in the HDHP, it is best to invest the money that you are saving in premium costs into your HSA. This will help address some of the early costs if they occur. Also note that most medical facilities will work out a payment schedule with you so that your health care costs are manageable.

### **3. Do many doctors participate in the HDHP?**

The HDHP and Personal Choice 20/30/70 have the same network of doctors. The networks on both plans are very large and include coverage outside of the network and geographic area.

Additional information is available at [www.sju.edu/hr](http://www.sju.edu/hr). Click on Benefits.

The customer service team at Armstrong, Doyle & Carroll are available to assist you with all of your benefit questions.

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