Consumer-Driven Health Plan (CDHP)
A Fresh Approach to Health Care Services

CDHP C2000
By offering the HealthFlex consumer-driven health plan (CDHP), your annual conference or employer is joining a trend in health care benefits—one which encourages participants to become more proactive in deciding how health care dollars are spent. Because of how the HealthFlex CDHP C2000 is designed, you may be more inclined to carefully consider quality of care, cost and other factors as you choose health care providers and services to address your health needs.

HealthFlex has developed a CDHP product that encourages our participants to be value-directed consumers of health services, complemented by the HealthFlex comprehensive wellness initiatives.

This document will help you understand how a CDHP and specifically the C2000 benefits work for you.

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### A Different Type of Health Coverage
What Is a CDHP?

A CDHP is a health coverage plan that allows members (participants) to use a health reimbursement account (HRA) to pay health care expenses directly, while a high-deductible health coverage plan protects the participant from catastrophic medical expenses.

**HRA Funding**
Each year, your plan sponsor funds $1,000 to your HRA [or $2,000 per year if you have a dependent(s) in the CDHP C2000 plan (i.e., “family coverage)].

**CDHP—A Different Type of Plan**
Use of the HRA makes the CDHP truly different from health coverage you may have had in the past. The HRA is similar to a savings account designated specifically for eligible health-related expenses, such as deductibles, co-payments, prescription medications and/or medical expenses that are not covered by your health plan or prescription drug plan.

The HealthFlex CDHP C2000 has a $2,000 annual deductible per individual ($4,000 maximum annual family deductible). The HRA can assist you in meeting this deductible (and other eligible expenses). You have the choice to use your HRA or not, which means you can roll over any unspent HRA funds from one year to the next, so your HRA account can grow for future needs. (See “How the HealthFlex CDHP C2000 Works” on page 4.)

**CDHP: A “Consumer” Health Plan**
A CDHP is a type of health coverage that encourages covered individuals to be informed and thoughtful consumers of health care services, much like they would be informed and thoughtful when purchasing other goods and services. The CDHP plan structure motivates participants to take a more active role in selecting their health care providers, managing their health expenses, and improving their overall health through good nutrition, exercise and other factors that they can control.

For example, you might fill a prescription by choosing a generic therapeutic equivalent medication or a generic alternative medication (when available) instead of a more expensive name-brand drug, or you might go to an urgent care center rather than a hospital emergency room for a non-life-threatening medical concern.

**Important:** Always seek the appropriate level of care for your or your family’s medical needs. While the HealthFlex CDHP fosters consumerism by encouraging participants to seek cost-saving measures when appropriate, it in no way expects participants to choose inappropriate or insufficient levels of care as a way to save money.
CDHP C2000 Benefits**

<table>
<thead>
<tr>
<th>Health Reimbursement Account (HRA)</th>
<th>Plan sponsor-funded HRA—$1,000 (individual) or $2,000 (family) per year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical</td>
<td>1. Plan (HealthFlex) pays:</td>
</tr>
<tr>
<td></td>
<td>• Preventive care: 100% for defined services</td>
</tr>
<tr>
<td></td>
<td>• Other medical services: 80% of allowable charges after participant’s deductible—when in-network providers are used</td>
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<tr>
<td></td>
<td>2. Participant responsibility (participant pays):</td>
</tr>
<tr>
<td></td>
<td>• Annual deductible: $2,000 individual or $4,000 family</td>
</tr>
<tr>
<td></td>
<td>• Co-insurance: 20% of allowable charges—when in-network providers are used</td>
</tr>
<tr>
<td></td>
<td>• Out-of-pocket maximum (for combined medical, pharmacy and behavioral health services): $6,000 individual or $12,000 family—when in-network providers are used; includes deductible, co-payments and co-insurance</td>
</tr>
<tr>
<td>Pharmacy</td>
<td>1. No deductible</td>
</tr>
<tr>
<td></td>
<td>2. Participant pays (co-payment):</td>
</tr>
<tr>
<td></td>
<td>• Generic prescriptions</td>
</tr>
<tr>
<td></td>
<td>- $15—for retail</td>
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<tr>
<td></td>
<td>- $35—for mail order</td>
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<tr>
<td></td>
<td>• Preferred brand-name drugs: 25% co-payment</td>
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<tr>
<td></td>
<td>- $25 minimum/$65 maximum—for retail</td>
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<tr>
<td></td>
<td>- $60 minimum/$150 maximum—for up to a 90-day fill by mail order</td>
</tr>
<tr>
<td></td>
<td>• Non-preferred brand-name drugs: 30% co-payment</td>
</tr>
<tr>
<td></td>
<td>- $50 minimum/$120 maximum—for retail</td>
</tr>
<tr>
<td></td>
<td>- $95 minimum/$260 maximum—for up to a 90-day fill by mail order</td>
</tr>
<tr>
<td></td>
<td>• Out-of-pocket maximum (for combined medical, pharmacy and behavioral health services): $6,000 individual or $12,000 family—when in-network providers are used; includes deductible, co-payments and co-insurance</td>
</tr>
</tbody>
</table>

** See the HealthFlex benefit booklet and other plan documents for full details, including benefits when an out-of-network provider is used.
How the HealthFlex CDHP C2000 Works

• Each year, your plan sponsor funds $1,000 to your HRA (or $2,000 per year if you have a dependent(s) in the CDHP C2000 (i.e., “family coverage”).

• Preventive services (such as annual checkups) and age-appropriate diagnostic tests [such as screening mammograms or prostate specific antigen tests (PSAs)] are covered by HealthFlex at no cost to you when in-network providers are used.

• For other medical services, the CDHP C2000 has a $2,000 annual deductible per person ($4,000 per family).

• After the $2,000 deductible is satisfied per individual (or $4,000 for the family, if applicable), HealthFlex will pay 80% of all remaining eligible expenses for in-network providers and you (the participant) will pay the other 20%—up to the annual out-of-pocket maximum.

• If you choose to use out-of-network doctors, hospitals or other providers, your out-of-pocket costs may be higher.

• You may use funds available in your HRA to pay your out-of-pocket expenses, including deductibles and co-payments. In addition, you can use the HRA to pay for dental and vision expenses. The HealthFlex HRA can be used to pay for expenses that are not covered by the CDHP C2000 benefit design but are eligible for a flexible spending account (FSA).

• At the end of the plan year, unused HRA funds roll over for the next plan year. There is no limit to the amount that can accumulate in your HRA.

• You may combine the HRA with a health care FSA (also called a medical reimbursement account or MRA). Electing an FSA is optional for the CDHP or other HealthFlex plans. If you want to set aside money into an FSA, you must do so during the Annual Election period in November.

• If you elect an FSA, the FSA always pays first; then the HRA pays. This is because FSA dollars are subject to the “use it or lose it” rule for balances over $500, so you risk losing your unspent FSA dollars at the end of a plan year. In contrast, unlimited unspent HRA dollars roll over to the next year.

• HRA balances remaining at the time of retirement may be used for any eligible health care-related expenses, including retirement medical products and plans outside of HealthFlex.
Steps You Can Take to Manage Your Health Expenses

You have more control over your health care expenditures than you may realize. Here are a few steps you can take to spend less on health care—without compromising the quality of care you receive:

- Fill prescriptions with generic medications instead of name-brand medications. Ask your doctor if a generic is available and appropriate.
- Fill maintenance (long-term) prescriptions by mail order, instead of using a retail pharmacy.
- Go to the doctor’s office or urgent care center—instead of a hospital emergency room—when you feel sick, or have symptoms or an injury that is not life-threatening or limb-threatening.

Preventive and Wellness Services Are Covered

We are committed to your good health. That’s why the CDHP C2000—like all HealthFlex plans—covers preventive and wellness services at 100% when in-network providers are used. You have no out-of-pocket costs (no co-insurance or deductible) for eligible preventive and wellness services, including checkups and age-appropriate preventive testing (such as routine blood tests, mammograms or PSA tests).
Debit Card Usage with HRA

Debit Card Adds Convenience
The convenience of a debit card will make using the HRA easy. In most cases, you can use the debit card to pay for eligible health expenses directly from your HRA—without filing paper claims. The debit card is accepted at any pharmacy, doctor’s office, dental office, eye doctor office, hospital or other health provider where the Visa logo is displayed.

If you have a health care FSA along with your HRA, you’ll use one debit card that combines the HRA and health care FSA. The debit card will draw first from the FSA, because FSA funds are subject to federal “use it or lose it” rules for balances over $500. After FSA funds are depleted, the debit card draws from the HRA. (Remember: Unlimited unused HRA money is rolled over to the next year.)

You will receive more instructions when the debit card is mailed to you.

Choose Your Plan During Annual Election
If your plan sponsor offers the CDHP C2000 in addition to another HealthFlex plan(s), you’ll be able to choose which plan is best for you during this year’s Annual Election period in November. Watch your mail for Annual Election information. If you don’t indicate your preference during Annual Election, you will be covered by your plan sponsor’s selected “default” plan option.
A CDHP is a health coverage plan that allows you to use an HRA to pay health care expenses directly, while protecting you from catastrophic medical expenses.

The plan sponsor funds $1,000 for individual coverage (or $2,000 for family coverage) into the HRA each year you are enrolled in the HealthFlex CDHP C2000.

The HRA is similar to a no-interest savings account, but is designated specifically for eligible health-related expenses, such as deductibles, co-insurance, prescription medications and medical expenses that are not covered by your health plan, plus dental and vision expenses.

Like most health coverage plans, the CDHP includes an annual medical deductible. A deductible is a fixed amount you must pay before certain health care benefits (payments by the Plan) begin. The HealthFlex CDHP C2000 has a $2,000 annual deductible per individual ($4,000 annual deductible per family) for medical services.

Preventive medical services—such as routine physical exams and age-based screenings and immunizations—are covered at 100% under the CDHP when you receive care from in-network providers, so you will not pay for these services. Preventive and wellness services are not subject to the annual deductible or co-insurance.

The CDHP uses the same in-network PPO providers (doctors, hospitals, etc.) as other HealthFlex plans.

The HRA reimburses all eligible items and services covered by a health care FSA that are not covered by the participant’s CDHP benefit design (including co-insurance and deductibles), plus dental and vision expenses.

You may combine a health care FSA with an HRA. However, the health care FSA is optional; if you want a health care FSA, you must make that election during the Annual Election period in November.

You will use a debit card for both the HRA and the health care FSA (if you elect to contribute to an FSA). Your debit card and details about how to use the debit card will be provided in December by the third-party FSA administrator that partners with HealthFlex to administer both benefits. If you elect an FSA, the FSA will always pay first; then the HRA will pay, based on the plan design. This is because FSA dollars are subject to the “use it or lose it” rule for balances over $500, so you risk losing your unspent FSA dollars for balances over $500 at the end of a plan year. In contrast, unlimited HRA dollars can roll over from year to year if they are not spent.

You have the option to pay for health expenses “out of pocket” (on your own), instead of using your available HRA or FSA funds.

At the end of the plan year, unused HRA funds remain in your HRA for the next plan year.

There is no maximum balance for accumulated HRA funds.

The HRA and FSA do not accrue interest.

HRA and FSA funds cannot be accessed for hardship purposes.

HRA balances at the time of retirement may be used for eligible health care-related expenses, including premiums for retirement plans outside of HealthFlex. To be eligible, you must satisfy the retiree eligibility rules of your plan sponsor (employer). If you retire, your HRA balance will be available for your use even if your plan sponsor does not sponsor retiree health coverage through HealthFlex.
As a CDHP C2000 participant, you will want to be more actively involved in selecting your health care services and providers. Remember to take advantage of these consumer education tools prior to Annual Election in November—and on an ongoing basis.

You can find links to the following services through the HealthFlex/WebMD website. Go to www.gbophb.org; select “HealthFlex/WebMD” and log in.

Coverage Advisor (WebMD)
Estimate your out-of-pocket medical expenses (based on the CDHP C2000 plan design) for the next plan year. This will allow you to make informed decisions prior to Annual Election (usually early November) about:

- which health plan to choose, if the CDHP C2000 is an option; and
- the amount of FSA dollars to withhold for estimated expenses, if you choose to elect a health care FSA (also called a medical reimbursement account or MRA).

Treatment Cost Advisor/Estimator
Blue Cross and Blue Shield of Illinois (BCBSIL) or UnitedHealthcare (UHC)
Budget your HRA and FSA funds (if elected). You can:

- estimate out-of-pocket expenses for a specific service, and
- compare different providers in your area based on quality and cost criteria for a specific service.

Provider Search (BCBSIL and UHC)
Find in-network providers to obtain the highest benefit level and ensure the lowest out-of-pocket costs.

OptumRx (previously Catamaran) Prescription Drug Cost Estimator
Estimate your prescription drug costs and help calculate what you may want to set aside in your health care FSA.

Health Accounts Information (WageWorks)
Learn more about different types of health accounts, including expenses that may be eligible for health care or dependent care FSA reimbursement and your HRA.

Consumer Education Tools

CDHP Frequently Asked Questions for Participants
This “FAQs” document offers answers to many common questions about the CDHP C2000, the HRA and the health FSA.
Find it at www.gbophb.org; select “HealthFlex/WebMD” and log in; then scroll to Details and FAQs!
Learn More About the CDHP C2000 and Your HealthFlex Benefits

Start at the HealthFlex/WebMD website to access online resources about the CDHP C2000 and your HealthFlex benefits.

www.gbophb.org
Click on “HealthFlex/WebMD”
Log in by entering your username and password.

Call WebMD Customer Service at 1-866-302-5742 if you are unable to obtain your username/password online.

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