



CHRISTIAN SCHOOLS  
INTERNATIONAL

## CSI Insurance Plan & Trust Fund

# UPDATE

**Date:** February 4, 2005

**To:** Member Schools and Participants

**From:** Howard Van Mersbergen  
Executive Secretary Treasurer

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The Trustees have recently completed a thorough plan design review. This Update explains the changes being made to the plans.

### Plans Offered in the 2005/2006 Plan Year

Plan C, PPO 90, PPO 80, PPO HSA 1, and PPO HSA 2 will be available in all locations. Priority Health POS, HMO 100 and HMO 80 are available in West Michigan.

In addition, we will add two new lower-cost medicare supplement plans for retirees; one plan through Trustmark and one plan through Priority Health.

### What are HSA Plans?

An HSA is made up of two parts: a qualifying health plan and a bank account set up by the school for each participant. CSI provides two Trustmark plans that are qualified as HSA plans. Trustmark has a relationship with HSA Bank in Wisconsin to administer the savings accounts; schools may use this bank or choose another administrator.

Once the accounts are set up, the school and/or the participant contributes up to the amount of the deductible for each participant; this contribution is deposited into each participant's account. Participants can be reimbursed from their HSA for eligible expenses that apply to the deductible or eligible expenses that are not covered by the health plan. Any funds left in the HSA at the end of the year belong to the participant and keep accumulating until retirement. Earnings on individual accounts accumulate tax-free, and if they are used for qualified medical expenses, they are not taxed. At retirement, participants may continue to use the funds for health expenses. If the funds are used for non-health related expenses, income tax and/or additional taxes may be due.

### HSA Deductible—A Word of Caution

Several schools have inquired about using our HSA plans and self-funding a portion of the deductible rather than funding the employee's HSA account (in effect, creating a deductible reimbursement plan). Self-funding occurs when a school reimburses employees directly for certain health care expenses incurred by the employee or dependents. If you are considering self-funding, we encourage your school to seek legal counsel. Your school will need to develop a Plan Document and distribute copies to participants. Your school may be required to file annual reports with the Department of Labor. The plan will be subject to non-discrimination testing and your school will also be required to adhere to privacy regulations.

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### Change in Prescription Drug Coverage

Effective September 1, 2005, for the Trustmark plans, the prescription copay amount is changing from \$15/\$30/\$50 to \$15/\$30/\$60 (generic/preferred brand/non-preferred brand).

### Changes in Medical Coverage

Plan	Current	Effective 09/01/05
Trustmark PPO 80	<ul style="list-style-type: none"><li>• \$15 Office Visit Copay</li><li>• \$300/\$600 Deductible (Out-of-Network Deductible \$1,000/\$2,000)</li></ul>	<ul style="list-style-type: none"><li>• \$20 Office Visit Copay</li><li>• \$400/\$800 Deductible (Out-of-Network Deductible \$1,250/\$2,500)</li></ul>
Trustmark PPO 90	<ul style="list-style-type: none"><li>• \$15 Office Visit Copay</li><li>• \$250/\$500 Deductible (Out-of-Network Deductible \$750/\$1,500)</li></ul>	<ul style="list-style-type: none"><li>• \$20 Office Visit Copay</li><li>• \$300/\$600 Deductible (Out-of-Network Deductible \$1,000/\$2,000)</li></ul>
Trustmark Plan C	<ul style="list-style-type: none"><li>• \$500/\$1,000 Deductible</li></ul>	<ul style="list-style-type: none"><li>• \$600/\$1,200 Deductible</li></ul>
Priority Health POS	<ul style="list-style-type: none"><li>• \$15 Office Visit Copay</li><li>• No Deductible</li></ul>	<ul style="list-style-type: none"><li>• \$20 Office Visit Copay</li><li>• \$100/\$200 Deductible (Alternate Deductible \$500/\$1,000)</li></ul>
Priority Health HMO100	<ul style="list-style-type: none"><li>• \$15 Office Visit Copay</li><li>• No Deductible</li></ul>	<ul style="list-style-type: none"><li>• \$20 Office Visit Copay</li><li>• \$100/\$200 Deductible</li></ul>

### Coverage Availability by State

We offer these coverages in all states: life, accidental death and dismemberment, long term disability, and vision.

Small Group Legislation dictates the specific states in which the CSI Insurance Plan can offer health and dental insurance coverage.

For groups with **50 eligible employees or less**, health coverage can be offered in these states:

Arkansas	Iowa	Michigan	Nebraska	Tennessee
Arizona	Illinois	Minnesota	Ohio	Texas
Delaware	Indiana	Missouri	Oklahoma	Virginia
Georgia	Kansas	Mississippi	Pennsylvania	Wisconsin
Idaho	Louisiana	North Carolina	South Carolina	West Virginia

For groups with **51 eligible employees or more**, health coverage can be offered in these states:

Alaska	Georgia	Maine	New Hampshire	South Dakota
Arkansas	Hawaii	Michigan	New Jersey	Tennessee
Arizona	Iowa	Minnesota	New Mexico	Texas
California	Idaho	Missouri	Nevada	Utah
Colorado	Illinois	Mississippi	Ohio	Virginia
Connecticut	Indiana	Montana	Oklahoma	Washington
Dist. of Columbia	Kansas	North Carolina	Pennsylvania	Wisconsin
Delaware	Louisiana	North Dakota	Rhode Island	West Virginia
Florida	Massachusetts	Nebraska	South Carolina	Wyoming

### September 1 Enrollment and Rates

Enrollment materials and rates for 2005–2006 will be sent to schools in early May.

If you have questions, contact the CSI Benefits Office at 800-635-8288 or 616-957-1070, extension 233. Benefits information is also available on the CSI web site by selecting Employee Benefits at [www.CSionline.org](http://www.CSionline.org).