



CHRISTIAN SCHOOLS
INTERNATIONAL

CSI Insurance Plan & Trust Fund

UPDATE

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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 plans available and the changes being made to the plans.

Plans Offered in the 2006/2007 Plan Year

The selection of health plans available through CSI will not change. Plan C, PPO 90, PPO 80, PPO HSA 1, and PPO HSA 2 will be available in all locations. Schools may choose the PPO HSA 1 or PPO HSA 2, plus one other plan.

Changes in Medical Coverage

The following changes are effective September 1, 2006.

- The Emergency Room copay will change from \$50 to \$75.
- The out-of-network reasonable and customary level will change from the 90th to the 70th percentile.
- The in-network and out-of-network deductibles will accumulate separately. For example, expenses applied to the deductible for in-network charges will only satisfy the in-network deductible and will not be applied to the out-of-network deductible.
- Transplant benefits continue to be covered up to the \$2,000,000 lifetime maximum when a designated transplant facility is used. The lifetime maximum for transplants when a non-designated transplant facility is used will change to \$50,000. If your school is covered for health through Trustmark, information on United Resource Networks Transplant Centers of Excellence is attached. For more information, go to www.URNweb.com.

Increase in Trustmark Preventive Care Limit

The CSI Insurance Plan assists you in not only correcting health problems, but also in preventing health problems before they occur. As part of our ongoing emphasis on prevention, the preventive care limit will increase from \$300 once every two years to \$500. Take advantage of these benefits and schedule regular physicals and mammograms.

Trustmark Network Changes

In Iowa and Michigan, the networks used by Trustmark are changing effective September 1, 2006. Midland's Choice network will be used in Iowa (www.midlandschoice.com) and PPOM in Michigan (www.ppom.com). These networks have a larger number of providers as well as better provider pricing than the current networks.

Coverage Availability by State

In all states, we offer life, optional life, accidental death and dismemberment, long term disability, and vision coverage.

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

For groups with 2 - 50 **eligible employees**, health and dental coverage can be offered in:

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 and dental coverage can be offered in:

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

September 1 Enrollment and Rates

Enrollment materials and rates for 2006–2007 will be sent to schools in early May.

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 may contribute 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.

Contact Information for CSI

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.