

MESSA ABC Plan Options

Medical Plan Highlights

All services must be **medically necessary**, performed by a qualified provider, and covered under the plan.

	In-Network		Out-of-Network	
	Single Coverage	2-Person & Family	Single Coverage	2-Person & Family
■ Annual Deductible Applies to all services and prescription drug purchases except preventive care and certain preventive prescriptions. By federal law, when two or more lives are covered under this plan, the entire family deductible must be met before claims are paid for any individual.	MESSA ABC Plan 1*		2015 - \$2,600	2015 - \$5,200
	2015 - \$1,300	2015 - \$2,600	2016 - \$2,600	2016 - \$5,200
MESSA ABC Plan 2	\$2,000	\$4,000	\$4,000	\$8,000
MESSA ABC Plan 3**	\$3,500	\$7,000	\$7,000	\$14,000

*The MESSA ABC Plan 1 deductible is subject to change each Jan. 1 in order to remain HSA-compatible according to IRS rules governing HSAs.

**After the deductible is met, MESSA ABC Plan 3 includes a member coinsurance responsibility of 10% of the approved amount on in-network services and 30% of the approved amount on out-of-network services.

	In-Network		Out-of-Network	
	Single Coverage	2-Person & Family	Single Coverage	2-Person & Family
■ Annual Out-of-pocket Maximum The out-of-pocket maximum includes copayments and coinsurance plus the deductible. Charges above approved amount and charges for services not covered under the plan do not count toward the out-of-pocket maximum.	Deductible plus \$1,000	Deductible plus \$2,000	Deductible plus \$2,000	Deductible plus \$4,000

	In-Network	Out-of-Network
■ Lifetime Benefit Maximum	Unlimited	Unlimited

Type of Service	In-Network Provider (after deductible)	Out-of-Network Provider (after deductible)
Office Visits	Plans 1 & 2: 100% Plan 3: 90% of approved amount	Plans 1 & 2: 80% Plan 3: 70% of approved amount
Free Preventive Prescriptions MESSA ABC covers an extensive list of FREE preventive prescriptions that have no deductible and no copayment including cholesterol and blood pressure medications, weight loss medications, prenatal vitamins, contraceptives and many more.	100% coverage No deductible, No copayment	Not covered
Other Prescription Drug Coverage (See reverse for details) Under federal law governing HSA-qualified plans, prescription drugs are subject to the deductible (other than MESSA's free preventive prescriptions). After deductible is met, MESSA ABC Rx coverage and copayments apply.	After deductible, MESSA ABC Rx copayments apply up to out-of-pocket maximum	75% of approved amount
Inpatient Hospital ■ Semi-private room and board (includes supplies and services) ■ Physician charges	Plans 1 & 2: 100% Plan 3: 90% of approved amount	Plans 1 & 2: 80% Plan 3: 70% of approved amount
Surgical Services Includes: surgeon, assistant surgeon and anesthesiologist	Plans 1 & 2: 100% Plan 3: 90% of approved amount	Plans 1 & 2: 80% Plan 3: 70% of approved amount
Emergency Care ■ Emergency room facility and physician charges ■ Urgent care	Plans 1 & 2: 100% Plan 3: 90% of approved amount	Plans 1 & 2: 80% Plan 3: 70% of approved amount
Preventive Care – www.messa.org/FreePreventiveCare Services such as annual exams, screenings, childhood and adult immunizations and preventive drugs including contraceptives. Immunizations provided by a Public Health Department or at a MESSA-sponsored event are considered in-network.	100% coverage Not subject to deductible	Not Covered (except for mammograms which are covered Plans 1 & 2: 80% Plan 3: 70% of approved amount after deductible)
Chiropractic Services including Modalities Up to 38 visits (combination of in-network and out-of-network visits) per calendar year. Some providers may charge more than the approved amount for MESSA-specific benefits.	Plans 1 & 2: 100% Plan 3: 90% of approved amount	Plans 1 & 2: 80% Plan 3: 70% of approved amount

Type of Service	In-Network Provider (after deductible)	Out-of-Network Provider (after deductible)
Diagnostic Lab and X-Ray, Radiation, and Chemotherapy	Plans 1 & 2: 100% Plan 3: 90% of approved amount	Plans 1 & 2: 80% Plan 3: 70% of approved amount
Allergy Testing and Therapy	Plans 1 & 2: 100% Plan 3: 90% of approved amount	Plans 1 & 2: 80% Plan 3: 70% of approved amount
Additional Covered Services <ul style="list-style-type: none"> ■ Medical supplies and equipment ■ Ambulance ■ Hearing care (<i>plan limits apply</i>) ■ Skilled nursing facility (<i>120 day annual limit applies</i>) ■ Hospice (<i>limits apply</i>) ■ Home health care 	Plans 1 & 2: 100% Plan 3: 90% of approved amount	Same as in-network
Human Organ Transplant	Plans 1 & 2: 100% Plan 3: 90% when authorized and performed at a BCBSM-approved facility (<i>plan limits apply</i>)	Not covered
Mental Health and Substance Abuse <i>Inpatient and Outpatient Care</i> <ul style="list-style-type: none"> ■ Mental health care ■ Substance abuse treatment 	Plans 1 & 2: 100% Plan 3: 90% of approved amount	Plans 1 & 2: 80% Plan 3: 70% of approved amount
Outpatient Physical, Occupational, and Speech Therapy Up to a combined benefit maximum of 60 visits per individual per calendar year, whether obtained from an in-network or out-of-network provider.	Plans 1 & 2: 100% Plan 3: 90% of approved amount	Plans 1 & 2: 80% Plan 3: 70% of approved amount

■ **Free Preventive Prescription Drugs – A MESSA Value Added Benefit**

Before members pay anything toward their deductible, MESSA provides 100% coverage for an extensive list of prescription drugs including cholesterol and blood pressure medications, prenatal vitamins, contraceptives, weight loss medications, smoking cessation products and many more. No deductible. Zero copayment. Members pay **nothing** for these preventive prescriptions.

■ **Prescription Drug Coverage**

Group prescription drug coverage is included with this plan. **After applicable deductible is met**, there is a \$2 copayment for generic maintenance medications for specific chronic conditions and diseases. There is a \$10 copayment for all other generics. There is also a \$10 copayment for listed Over-the-Counter (OTC) medications used to treat heartburn and seasonal allergies. There is a \$20 copayment (reduced from \$40) for specific brand name maintenance drugs used to treat diabetes and asthma. There is a \$40 copayment for brand name drugs when no generic product exists. Please refer to your Plan Coverage Booklet for full details, limits and exclusions.

■ **Medical Case Management (MCM)**

MESSA offers Medical Case Management (MCM), a unique program tailored to meet the medical needs of our members who may need extraordinary care if diagnosed with a catastrophic illness or injury. It is designed to help MESSA members and their families through these difficult times by providing flexibility, support and direct involvement in the management of their health care.

■ **MESSA Help Lines – NurseLine and Healthy Expectations**

Plan participants have access to a 24/7 NurseLine for general medical information. To access NurseLine, call 800.414.2014 to speak to a specially trained Registered Nurse who can answer your medical questions and provide health-related information. MESSA's prenatal information and support program for expectant mothers is Healthy Expectations. Please call the MESSA Member Service Center at 800.336.0013 for information or to enroll. These services are not intended to replace regular medical care by a doctor or other qualified medical professional.

■ **Covered Services and Approved Amounts**

In-network providers bill BCBSM directly. Payments for covered services are based on BCBSM's approved amounts. Your liability is limited to the plan deductible and coinsurance requirements.

Out-of-network providers may or may not bill BCBSM directly. The member is responsible to the provider for deductibles, and **amounts that are in excess of the approved amount** for the service. **These amounts may be substantial.**

Medical benefits underwritten by Blue Cross Blue Shield of Michigan (BCBSM) & 4 Ever Life Insurance Company. BCBSM is an independent licensee of the Blue Cross and Blue Shield Association.

Additional Benefits for You

Life Insurance	\$5,000
Accidental Death & Dismemberment Insurance (AD&D)	\$5,000

Life and AD&D insurance may be continued following termination of employment by direct payment to MESSA. AD&D terminates at age 65 or when employment terminates, whichever happens last.

Life and AD&D insurance underwritten by Life Insurance Company of North America.

This is a brief summary of the MESSA ABC Plans. For additional information, including eligibility, limitations and exclusions, please contact MESSA at 800.336.0013.

MESSA ABC Rx Coverage

An overview

In-network pharmacies

1. Most Michigan retail pharmacies are in-network with your MESSA ABC plan. When you travel out-of-state, ask if the pharmacy is considered in-network with Blue Cross Blue Shield before purchasing a prescription.
2. As required by federal law, prescriptions are subject to the plan deductible with the exception of certain preventive prescriptions when prescribed for specific diagnoses. Member costs for each prescription are limited to the charge that Blue Cross Blue Shield of Michigan has negotiated with the pharmacy.
3. MESSA ABC covers hundreds of free preventive prescriptions at no charge to the member. There is no copayment or deductible charge. For a complete list, visit the MESSA ABC area at www.messa.org/MESSAABCs.
4. Once the in-network plan deductible is met, member costs are limited to the following schedule of copayments for each covered drug or refill when obtained from a network pharmacy:
 - \$2 for certain generic drugs used to treat specific chronic conditions (asthma, coronary artery disease, diabetes, high blood pressure and high cholesterol).
 - \$10 for all other generic drugs.
 - \$10 for specific, over-the-counter medications for the treatment of seasonal allergies and heartburn (requires written prescription). Covered medications include Allegra®, Allegra D®, Claritin®, Claritin D®, Zyrtec®, Zyrtec D®, Prevacid®, Prilosec®, and Zegerid®.
 - \$20 (instead of \$40) for specific brand name maintenance drugs used to treat diabetes and asthma, including insulin, glucagon emergency kits, fast-acting and long-lasting inhalers, and the drugs Zyflo® and Zyflo CR®.
 - \$40 for all other brand name drugs, including single-source drugs where no generic is available. **Members will face additional cost if they insist on a brand-name drug when a less expensive generic is available and medically appropriate.** The additional costs do not apply to your annual deductible or out-of-pocket maximum.
 - Compounded medications and other drugs that are not FDA-approved are not a covered benefit.
5. After the in-network deductible is met for the calendar year, out-of-pocket costs for the rest of the calendar year are \$1,000 for Single coverage plans and \$2,000 for 2-Person and Family coverage plans.
6. With all three plans, if you reach the in-network out-of-pocket cap, your in-network prescriptions and medical services are fully covered at 100% by your MESSA ABC health plan for the remainder of the calendar year.
7. You can fill prescriptions for maintenance medications and receive a 90-day supply for just two copays instead of three.

Out-of-network pharmacies

1. Prescription drug purchases from an out-of-network pharmacy are subject to the MESSA ABC out-of-network deductible.
2. MESSA's free preventive prescription benefit is not available when using an out-of-network pharmacy.
3. If you purchase a prescription from an out-of-network pharmacy, you must pay the pharmacy and submit a claim form and proof-of-purchase to MESSA. Once your applicable out-of-network deductible has been met, MESSA will reimburse you for 75% of the approved amount for the drug (100% for emergency pharmacy services) minus your copayment (if any).

For additional information about your MESSA ABC prescription drug coverage, review your plan coverage booklet at www.messa.org/MESSAABCs or call MESSA's Member Service Center at 800.336.0013.

Health savings account: Can I have one and how can I use it?

HSA eligibility

Federal law governing tax-free savings accounts restricts who is eligible to have a tax-free health savings account (HSA). The law also defines the “qualified medical expenses” that can be covered or reimbursed from an HSA. Additionally, there are restrictions on which family members an account holder can spend HSA dollars to cover or reimburse for their qualified medical expenses. In order to qualify to have an HSA and make tax-free contributions to it, an employee:

- Must be covered by an HSA-qualified high deductible plan (MESSA ABC plans are HSA-qualified).
- Cannot be claimed as a dependent on someone else's tax return.
- Cannot be covered by another person's health plan if the other person's plan is not HSA-qualified.
- Can still be eligible for an HSA if her spouse has a non-HSA-qualified health plan, provided the employee is not covered by the spouse's plan.
- Cannot be enrolled in Medicare or Medicaid.
- Cannot have utilized VA benefits in the three months leading up to enrollment in the HSA plan.
- Generally cannot make contributions to an HSA if she has a medical Flexible Spending Account (FSA) or a Health Reimbursement Account (HRA) that reimburses qualified medical expenses (even if the employee is covered by a high deductible health plan).

Whose expenses can your HSA cover?

Under federal tax law, HSA expenditures are tax-free if used for qualified medical expenses for you and your spouse, any dependents you claim on your tax return, and, with certain exceptions, any person you could have claimed as a dependent.

- You and your spouse: This is true whether or not your spouse or dependent is covered by a high deductible health plan. Even if both spouses have an HSA, one spouse can pay for qualified medical expenses for the other.
- Any dependents you claim on your tax return. In general, you can pay qualified medical expenses for your child if he/she lived with you for more than half of the year and is under 19, or under 26 if a full-time student. In certain instances, you can use HSA funds to pay qualified medical expenses of other family members who you claim as a dependent for income tax purposes.
- You can use HSA funds for qualified medical expenses for any person you could have claimed as a dependent on your return except when the person filed a joint return, had a gross income of \$3,700 or more, or if you or your spouse, if filing jointly, can be claimed as a dependent on someone else's return.

If you have questions about your eligibility to have an HSA, review IRS Publication 969 at [irs.gov/publications/p969](https://www.irs.gov/publications/p969). For questions on who will qualify as your dependent for purposes of reimbursing medical expenses from your HSA, review IRS Publication 502, *Medical and Dental Expenses*, at [irs.gov/publications/p502/](https://www.irs.gov/publications/p502/). Also, for specific questions or concerns, consult with your tax preparer or a tax attorney.

Questions?

If you have questions about your MESSA ABC medical plan, go to www.messa.org/MESSAABCs or call MESSA's East Lansing-based Member Service Center at 800.336.0013.

If you have questions about your HealthEquity HSA, go to www.healthequity.com or call HealthEquity's Member Services department at 877.218.3432.

HSA eligibility and opting out of your HealthEquity® HSA

HSA eligibility

Under federal law, contributions to a Health Savings Account (HSA) from eligible individuals and contributions made on behalf of eligible individuals by their employers are not taxed. Interest, investment earnings and disbursements from the HSA for eligible medical expenses are also not subject to taxes. In order to enjoy the tax-free benefits of an HSA, employees must be eligible under IRS rules.

To be considered an eligible individual and qualify for an HSA, an employee must meet the following requirements:

- Employee must be covered by an HSA-qualified high deductible plan (MESSA ABC plans are HSA-qualified).
- Employee cannot be claimed as a dependent on someone else's tax return.
- Employee with an HSA-qualified high deductible health plan cannot be covered by another person's health plan that is not HSA-qualified.
- If an employee's spouse has a non-HSA-qualified health plan, that employee can still be eligible for an HSA provided the employee is not covered by the spouse's plan.
- Employee cannot be enrolled in Medicare or Medicaid.
- Employee cannot have utilized VA benefits in the three months leading up to enrollment in the HSA plan.
- An employee covered by a high deductible health plan and a medical Flexible Spending Account (FSA) or a Health Reimbursement Account (HRA) that reimburses qualified medical expenses generally cannot make contributions to an HSA.

For additional information on eligibility, review IRS Publication 969 at www.irs.gov/publications/p969.

Your HealthEquity HSA:

When MESSA receives your enrollment information for MESSA ABC, we will inform HealthEquity to activate your free HSA account. Soon after enrollment you should receive a welcome kit and Visa® Health Account card directly from HealthEquity. In order to use your Visa® Health Account card to pay for qualified medical expenses, the HSA account must contain adequate funds. Please note: Some employee groups may bargain or choose to use a different HSA administrator than HealthEquity. If you are unsure about your group, check with your association leadership or employer's business office.

Opting out of your HealthEquity HSA:

If you are enrolled in a MESSA ABC plan and aren't sure you are eligible to make contributions to an HSA, check with your tax adviser or legal counsel. If you want to opt-out and close your HealthEquity HSA account, call HealthEquity's Member Services department at 877.218.3432.

Questions?

If you have questions about your MESSA ABC medical plan, go to www.messa.org/MESSAABCs or call MESSA's East Lansing-based Member Service Center at 800.336.0013.

If you have questions about your HealthEquity HSA, go to www.healthequity.com or call HealthEquity's Member Services department at 877.218.3432.



Medicare and HSA eligibility

I am:

A.

- 65 years-old and Medicare eligible
- Not enrolled in Medicare
- Single or married
- Enrolled in single, two person or full family MESSA ABC
- Not receiving Social Security

Medicare eligibility alone does not disqualify you from contributing, or receiving employer contributions, to an HSA. If you are actively employed and are not receiving Social Security you will not be automatically enrolled in Medicare.

B.

- 65 years-old and Medicare eligible
- Single or married
- Enrolled in single, two person or full family MESSA ABC
- Receiving Social Security, and therefore: Automatically enrolled in Medicare Part A

You cannot contribute, or receive employer contributions, to an HSA. When you receive Social Security you are automatically enrolled in Medicare at age 65. You cannot decline the automatic enrollment in hopes of participating in an HSA. **NOTE:** Although no further funds can be contributed to your HSA once you are enrolled in Medicare, any funds that remain in your HSA can still be used to pay for eligible medical expenses on a tax-advantaged basis.

C.

- 65 years-old and Medicare eligible
- Married to a spouse who is retired and receiving Social Security and Medicare
- Enrolled in full family MESSA ABC

Your spouse's receipt of Medicare benefits does not disqualify you from contributing, or receiving employer contributions, to an HSA. You may also contribute, or receive contributions, up to the two person limit.

D.

- 65 years-old and Medicare eligible
- Enrolled in Medicare (either voluntarily or automatically)
- Married to a spouse who is not Medicare eligible
- Enrolled in full family MESSA ABC

You cannot contribute, or receive employer contributions, to an HSA. However, as long as he is otherwise eligible, your spouse can establish and contribute to an HSA, up to the two person limit. Your spouse's contributions will be on an after-tax basis and he cannot accept contributions from your employer. But your spouse can use the HSA funds to pay your eligible expenses (except Medicare Part B & D premiums) even though you are not HSA-eligible. **NOTE:** Although no further funds can be contributed to your HSA once you are enrolled in Medicare, any funds that remain in your HSA can still be used to pay for eligible medical expenses on a tax-advantaged basis.

Learn more at www.messa.org/MESSAABCs or call MESSA's Member Service Center at 800.336.0013.

Understanding deductibles

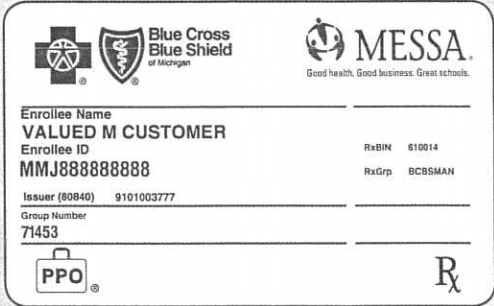
Health plan deductibles are similar to the deductibles on your auto and homeowners' insurance. A deductible is a fixed amount of money you must pay before the plan covers approved services. MESSA ABC plan deductibles apply to medically approved services and prescription drug purchases except certain preventive care and preventive prescriptions which are covered for free in-network (with no deductible, copayment, or coinsurance charge to the member).

Plan options	In-network		Out-of-network	
	Single coverage	2-Person & Family	Single Coverage	2-Person & Family
MESSA ABC Plan 1*	2015 - \$1,300 2016 - \$1,300	2015 - \$2,600 2016 - \$2,600	2015 - \$2,600 2016 - \$2,600	2015 - \$5,200 2016 - \$5,200
MESSA ABC Plan 2	\$2,000	\$4,000	\$4,000	\$8,000
MESSA ABC Plan 3	\$3,500	\$7,000	\$7,000	\$14,000

*The MESSA ABC Plan 1 deductible is subject to change each Jan. 1 in order to remain HSA-compatible according to IRS rules governing HSAs.

Tips to understanding your deductible:

- Use your MESSA insurance card every time you go to the pharmacy or any other medical provider to ensure out-of-pocket expenses you incur will be credited by MESSA toward your deductible. By using your MESSA insurance card, you will save money by receiving the discounted approved amount for in-network services.
- Deductibles reset each Jan. 1.
- If you have 2-Person or Family coverage, you must pay the entire family deductible before claims are paid for any individuals, as required by federal law for an HSA-qualified plan.
- If a service, medication or supply is not a covered benefit, it will NOT count toward your deductible.
- You pay the full cost of a prescription until your deductible is met, but you can use HSA funds to pay for a prescription. If you choose a brand name drug when a less expensive generic is available and medically appropriate, the additional costs for the brand name do not count toward the annual deductible or out-of-pocket maximum.
- Specific preventive care services and preventive prescriptions are not subject to your deductible.



MESSA and HealthEquity can help

If you have questions about your MESSA ABC medical plan, go to www.messa.org/MESSAABCs or call MESSA's East Lansing-based Member Service Center at 800.336.0013.

If you have questions about your HealthEquity HSA, go to www.healthequity.com or call HealthEquity's Member Services department at 877.218.3432.