



Control health care costs and give employees more choices.

What is DirectPay?

- Which Plan works best?
- What is a funding arrangement?

What we do...

What you get...

Your obligations...



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DIRECTPAY

What is DirectPay?

As medical expenses rise, employers may sacrifice essential employee benefits. With DirectPay, employers can control their health care expenditures, maintain a valuable employee benefit, and retain a satisfied work force. A DirectPay Plan **allows employers to set aside a specific**

amount for employees to use to pay for health care. All employer contributions to the Plan are deductible for the employer and are tax-free to the employee. As an added benefit, if elected by the employer, any unused funds may be rolled into the following year.

Which plan works best?

DirectPay offers employers Plan design choices: A DirectPay Plan can be designed to work in conjunction with a company-sponsored health insurance plan, or without an insurance plan in place, the choice is yours.

DirectPay is the right choice for employers who want to allocate a set dollar amount for employees to use on their medical expenses or offer a Plan that covers a specific type of medical expense such as prescription expenses.

Employers benefit most by switching to a Health Reimbursement Arrangement (HRA) coupled with a high deductible health insurance plan. By designing such a benefit program, their insurance premium will be reduced and the amount saved can be used to establish an HRA.

What is a funding arrangement?

With DirectPay, employers assume the risk that all covered employees may exceed Plan limits; in reality this does not happen often. Therefore, a utilization factor is applied to establish the Plan Funding Arrangement amount, although an employer may establish a different utilization factor, if desired.

Based on the Funding Arrangement, employers pay, via ACH, a set monthly amount. During the Plan Year, if utilization exceeds the annual Plan funding, the employer may be required to fund any claims which exceed existing Plan funding.

Money back guarantee

If you are not entirely pleased with DirectPay, simply return all the DirectPay materials within 30 days of the date received to obtain a refund for the full purchase price, less a \$100.00 processing fee.

What we do

- Establish your DirectPay Plan, including all required documentation, and maintain the Plan Document.
- Maintain all compliance measures associated with the Plan.
- Complete the ERISA-required Summary Plan Description.
- Assist you annually in making any Plan changes.
- Provide toll-free assistance for questions regarding your Plan.
- Front money beyond accrued amount.
- Offer daily check cutting for the fastest possible turnaround of reimbursements.
- Provide ongoing reports so you can monitor Plan results.
- Provide annual renewal information.

What you get

- **Reduced health care costs.** By adjusting your health insurance coverage, implementation of an HRA can generate a savings in overall health care benefits.
- **Better health care consumers.** One key solution to the rising costs of health care is to put more choices in the hands of the consumers. By doing this, employees search for the best and most efficient care.
- **The goodwill you build.** Employees view their employer in a positive light because a benefit package is being provided with the employee's interests in mind. The amount the employer is spending on medical care is visible and clear to employees.

Your obligations

- Set up Plan design to reflect your business objective.
- Complete necessary forms.
- Communicate the Plan to employees.
- Deliver the Department of Labor (DOL)-required Summary Plan Description to employees.

Your obligations

- Set up Plan design and employee share of monthly “premium” to reflect your business objective.
- Communicate the Plan to employees and distribute an Employee Enrollment Form to all eligible employees. You may customize the Form with a special envelope, insert, or memo.
- Direct employees to employees to contact a DirectPay Enrollment Specialist for assistance with their elections. This is not enrollment by phone. The Enrollment Specialist will help employees complete their enrollment forms and then direct them to return the completed forms to their employer.
- Transmit Enrollment Forms to DirectPay. Once completed forms are received at DirectPay, we will prepare a Funding Arrangement and enrollment report that itemizes all employees on the Plan.
- Distribute Requests for Reimbursement Forms. TASC mails Requests for Reimbursement Forms directly to employees participating in DirectPay. In addition, TASC sends employers Termination, COBRA, and Employee Data forms.
- Distribute a Summary Plan Description to all eligible employees as required by the Department of Labor (DOL).