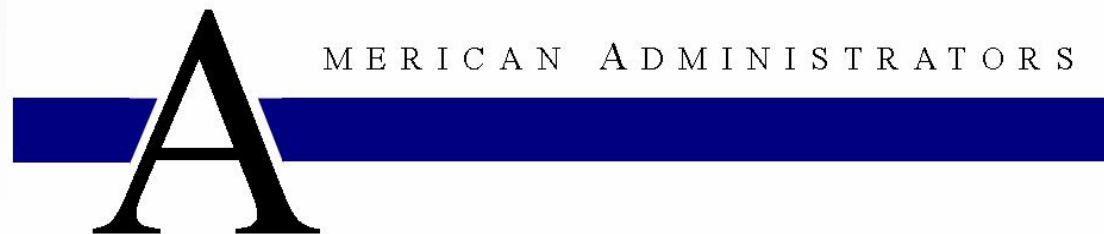


American Administrators

Third-Party Administration Services

West Des Moines, IA



High Deductible Health Plans

- HSA Qualified Plan
- HRA Plans
- Split-Funded Plans



High Deductible Health Plans

(HSA Qualified Plan)



- No Office Co-Pay
- No Rx Co-Pay
- Allows Preventive Care at 100%
- Plan Options: Self-only or Family

2010 Deductible	Self-only	\$1,200 - \$3,050
	Family:	\$2,400 - \$6,150
2010 Out-of-Pocket	Self-only:	\$5,950
	Family:	\$11,900

High Deductible Health Plans

(HSA Qualified Plan)

Maximum Contribution Limit

2010	Self-only	\$3,050
2010	Family	\$6,150

HRA Health Plan

S-Corporations, LLCs and LLPs

Individuals NOT Eligible to Enroll in a HRA Plan

- 2% owner of an S-corporation, LLC or LLP
- Spouses of a 2% owner
- Parents, children and grandchildren of 2% owners, even when they own no stock in the company

HRA Health Plan

Sole Proprietorships & Partnerships

Individuals NOT Eligible to Enroll in a HRA Plan

- Sole proprietors and partners

Individuals Eligible to Enroll in a HRA Plan

- Non-owner W-2 common law employees
- Spouse of a sole proprietor or partner if the spouse is a true W-2 common law employee, is eligible, and has no ownership interest

HRA Health Plan

Non-Discrimination Testing

- HRA plans must be non-discriminatory in design
- No testing is based on who actually receives payment from the HRA plan each plan year

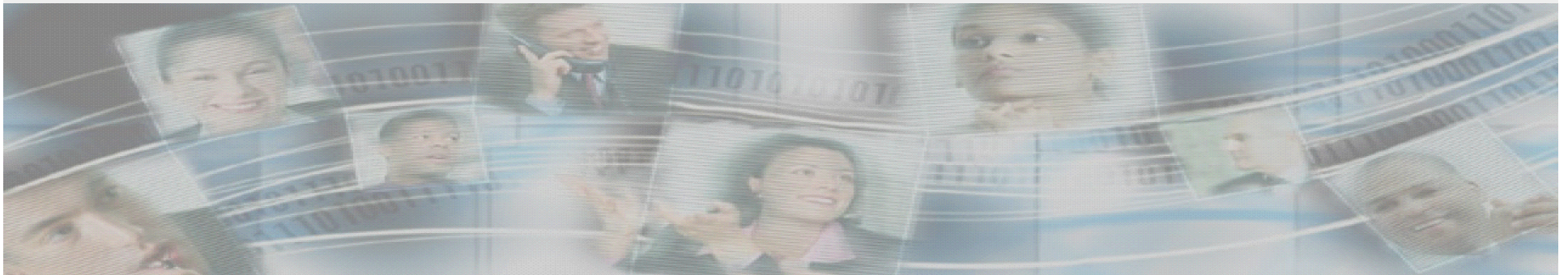
High Deductible Health Plans

(Non-HSA Qualified Plan)

- Maintain Office Co-Pays
- Maintain Rx Co-Pays
- Reduces Premium Costs
- Shifts Risk to Employee



Health Reimbursement Arrangements (HRA)



- Employer Funded
- Funded Amounts Offset the Employee's Increased Risk
- TPA Issues Reimbursements after Carrier has Processed Claim

HRA Plan Analysis

	Current Plan	HDHP Plan
Deductible	\$250/\$500	\$1,000/\$2,000
Out-of-Pocket	\$5,000/\$5,000	\$5,000/\$5,000
Premium	\$640,440	\$578,988
Premium Reduction		\$61,452
HRA Pool		\$46,500
Single @ \$500		
Family @ \$1,000		
Minimum Savings		\$14,952

Split-Funded Plans

- Maintain Fully-Insured Plan with same Carrier
- HDHP Reduces the Premium Paid by the Employer
- Employee Continues to Share in Medical Expenses
- Provides same coverage the employee had prior to purchasing the HDHP
- TPA Administers the Split-Funded Plan with data from fully-insured carrier



M E R I C A N A D M I N I S T R A T O R S

Split-Funded Plan Analysis

	Current Plan	HDHP Plan
Deductible	\$1,000/\$2,000	\$2,850/\$5,650
Out-of-Pocket	\$3,000/\$4,000	\$5,700/\$7,800
Premium	\$484,368	\$318,528
Claims & Administration		\$40,190
	\$484,368	\$358,718
Projected Savings		\$125,650

Split-Funded Plan Analysis

	Current Plan	HDHP Plan
Deductible	\$500/\$1,000	\$2,500/\$5,000
Out-of-Pocket	\$1,000/\$2,000	\$5,000/\$10,000
Premium Savings		\$399,350
Claims & Administration		\$107,710
Actual Plan Savings		\$291,640

Iowa employer 2009-2010 results with 114 employees.

Split-Funded Plan Analysis

Deductible Buy-Down Plan

	Current Plan	HDHP Plan
Deductible	\$500/\$1,500	\$1,500/\$3,000
Out-of-Pocket	\$500/\$1,500	\$1,500/\$3,000
Premium Savings		\$241,440
Claims & Administration		\$56,505
Actual Plan Savings		\$184,935

Missouri employer 2009 results with 134 employees.

Split-Funded Plans

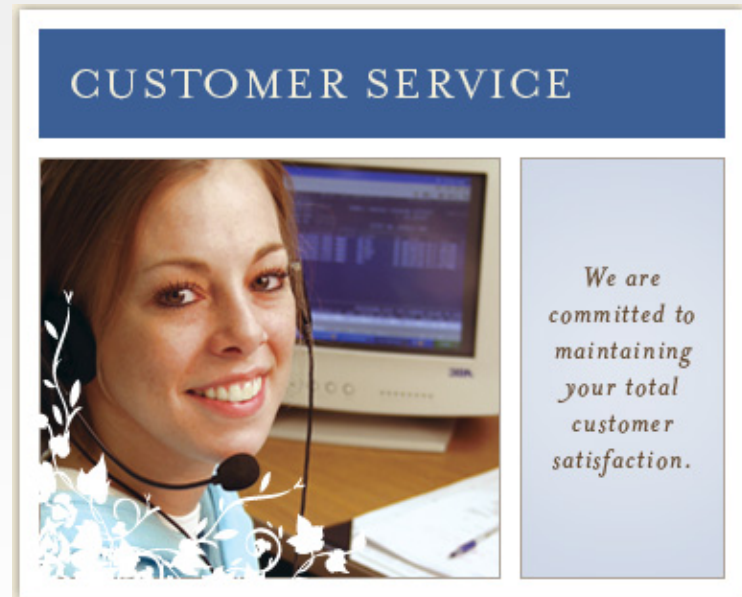
Seamless Processing by Administrator

- Primary Carrier transfers claim data to TPA
- TPA process deductible, co-insurance, and co-pay charges
- Payment issued to provider directly or employee



Access to Information

- EOBs with primary carrier's claim number for 'matching' claims
- Employee Portal: 24/7/365 On-line Claim Viewing
- Customer Service



High Deductible Health Plans

- Maintain a existing medical plan design
- Limit your employee's out-of-pocket costs
- Reduce the employer's plan costs
- Promote wellness and consumerism initiatives





M E R I C A N A D M I N I S T R A T O R S

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Third-Party Administration Services