



Health Spending Account: Design Example

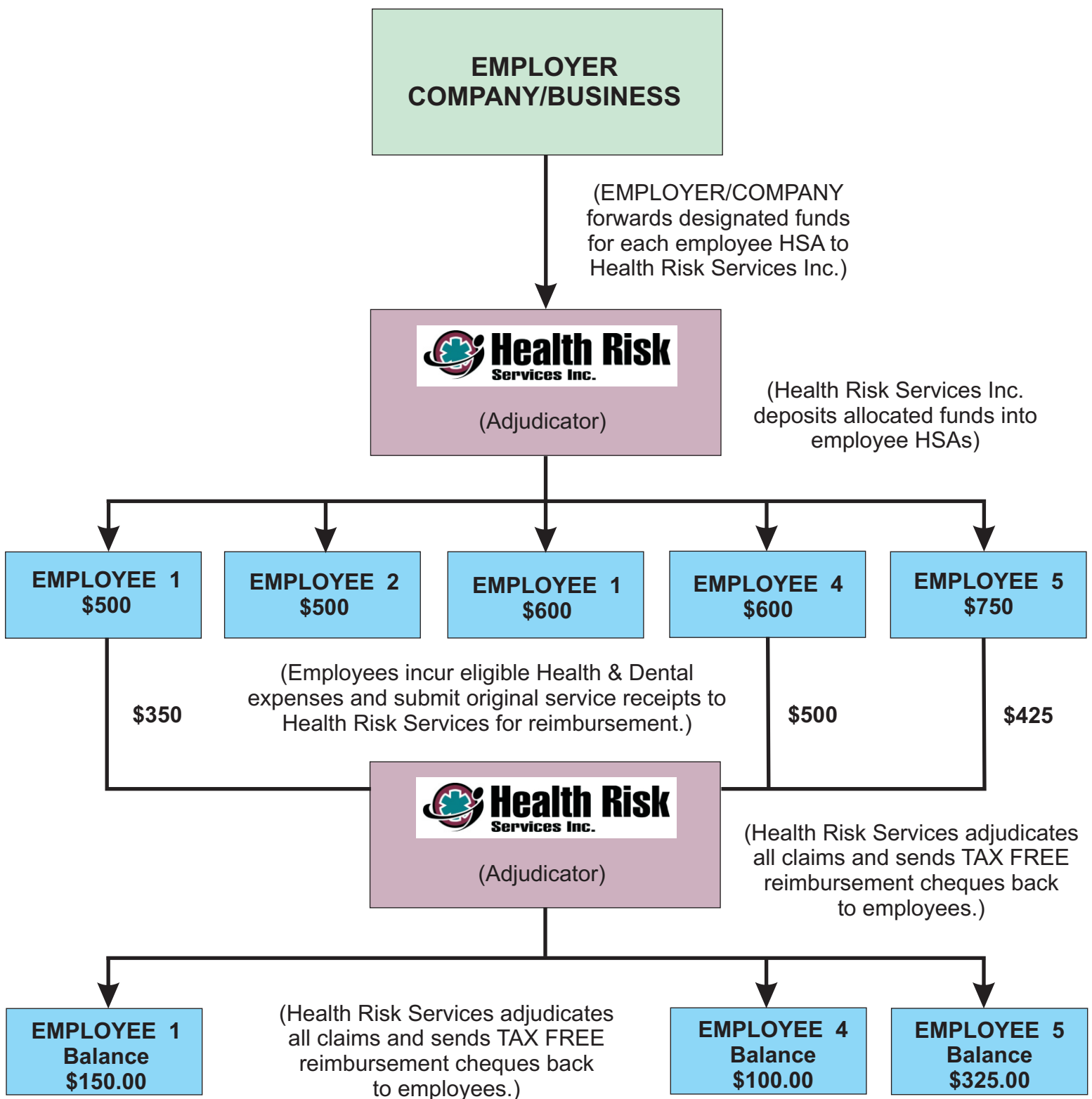
The following example merely demonstrates the process of making a claim with a "Health Spending Account" account through Health Risk Services Inc. Variances will apply for every account registered and amounts and claim eligibility will vary from one registrant to another. Numbers chosen are made for demonstration purposes only and are simplified to a greater extent than what an actual claim may present.

Payment for a Health Spending Account Plan

- Monthly: The employer will pay an equal amount each month.
- Pay-As-You-Go: The employer pays an amount equal to the total of the claim and any expenses each month
- Annually: The employer will contribute a lump sum to all HSAs on a specified date once per annum.
- Pro-Rated: The employer will pay monthly on a HSA that is actually being funded on a quarterly and semi-annual basis.

“HEALTH SPENDING ACCOUNT (HSA)” Benefit Claim Sample

This example shows the instance where the employer/company is funding the HSA accounts through Health Risk Services Inc.



Employer Benefits

- 100% of Health Spending Account funding is qualified as a Benefits Expense to the company

Employee Benefits

- 100% of HSA funding is TAX FREE
- 100% of Benefits received are TAX FREE