

CLAREMONT UNIVERSITY CONSORTIUM
Serving THE CLAREMONT COLLEGES

Your Guide to the Anthem Lumenos High Deductible Health Plan (HDHP)

The Anthem Lumenos HDHP is a medical plan that offers comprehensive coverage for everything from doctor visits, x-rays and lab tests, to hospitalization and prescription drugs. It includes a unique tax-advantaged account, called the Health Savings Account (HSA).

Why choose the Anthem Lumenos HDHP?

Tax-free money from your Health Savings Account (HSA) can be used to pay for health care expenses now or saved up for the future

Free preventive care

Flexibility to use in- and out-of-network doctors

A cap on expenses—once you pay the set maximum amount out of your pocket you **won't pay anything else for in-network** services—all year



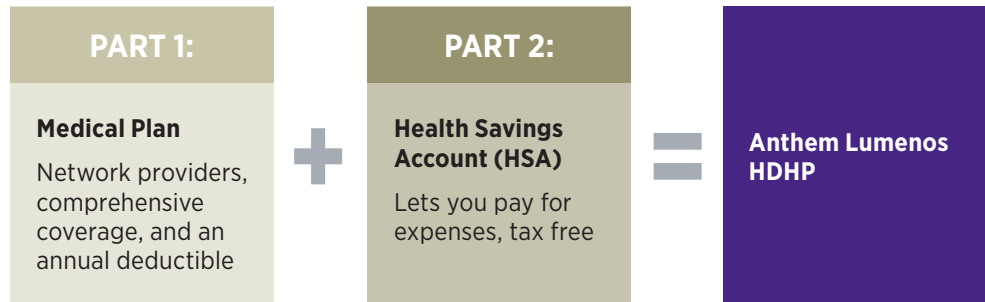
How the Anthem Lumenos HDHP Works

Make the Most of Your Coverage

This guide is filled with tips to help you take advantage of the Anthem Lumenos HDHP's money-saving opportunities and other health care resources. Use it to find out how you can use this plan to best meet your health care needs.

The Anthem Lumenos HDHP is a unique medical plan that works differently from the other plans offered by The Claremont Colleges. The Anthem Lumenos HDHP helps you take charge of your health and wellness by empowering you as a health care consumer.

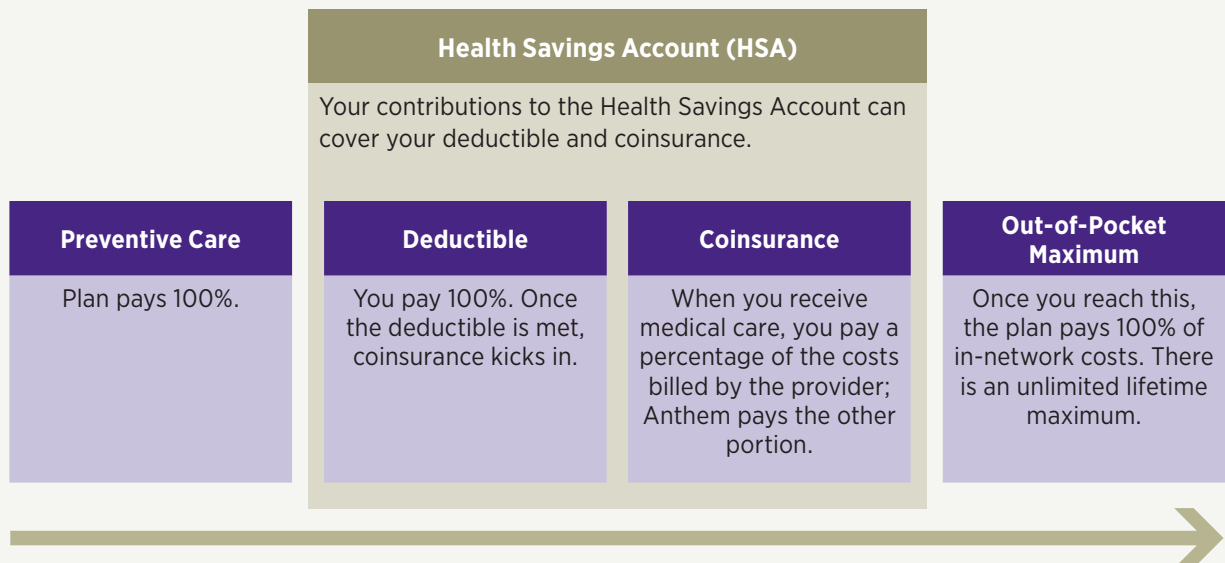
The Anthem Lumenos HDHP is made up of two components:



Together, these components give you comprehensive medical coverage and complete control over what health services you buy and how you spend your money on health care.

This guide will help you better understand each part of the Anthem Lumenos HDHP, how the parts work together, and the many special features of this plan.

Medical Coverage and the HSA: How They Work Together






Preventive Care

All in-network preventive care is 100% covered, all year long ... for you and your covered dependents! You don't have to pay to get your checkups and screenings at an in-network doctor or facility—just make your appointment, visit your in-network doctor, and the plan pays 100% of the cost!

What Is Preventive Care?

Preventive care services are based on guidelines for your age and sex. Ask your doctors about the right preventive care for you. The table below lists common preventive services covered by the Anthem Lumenos HDHP.

 Children	 Females	 Males
<ul style="list-style-type: none"> Well-baby care Annual physicals Preventive drugs Immunizations Medical/family history and physical exam Blood pressure checks Cholesterol checks 	<ul style="list-style-type: none"> Pap tests Mammograms Osteoporosis test Annual physicals Preventive drugs Immunizations Medical/family history and physical exam Blood pressure checks Cholesterol checks Diabetes mellitus: baseline for high-risk individuals Colonoscopy 	<ul style="list-style-type: none"> Colonoscopy Prostate cancer screening Annual physicals Preventive drugs Immunizations Medical/family history and physical exam Blood pressure checks Cholesterol checks Diabetes mellitus: baseline for high-risk individuals Osteoporosis test

Preventive Drugs

Preventive drugs, such as blood pressure medication, tobacco cessation products, and birth control, are considered preventive care and are 100% covered under the plan!

Be sure to confirm with your provider that your visit will be billed as preventive services. If there are services that are not billed under preventive services by your provider, you may be responsible for the costs associated with those services.

For a full list of preventive services and preventive drugs that are 100% covered, visit the plan website—www.anthem.com/ca (select Menu in the upper left hand corner; under the Care column, select Preventive Health and view the Preventive Care Plans & Guidelines).

Paying for Care

Annual Deductible

The annual deductible is the amount you must pay during the plan year BEFORE the plan helps pay for costs. This includes costs for non-preventive medical and prescription drug expenses.

The annual deductible you must meet depends on your level of coverage:

	Annual Deductible	
	In-Network	Out-of-Network
Employee Only	\$1,500	\$2,500
Employee + Spouse/Child(ren)/Family <i>Individual Limit</i>	\$3,000 \$2,700	\$5,000 \$2,700

The most an individual will have to pay toward the deductible is \$2,700, after which the plan will pay benefits for that individual. The remaining deductible amount can be reached through plan use by a single family member or by any combination of family members. After the full family deductible is met, the plan will pay benefits for all covered family members.

It doesn't matter which in-network provider you use—any money you pay medical providers or for services will count toward your deductible amount.

The Deductible—A Real Life Example

If you go to the doctor for a sore throat **before** you meet the deductible, you pay the full cost of the office visit, the strep test your doctor performs, and the antibiotics your doctor prescribes. However, if you see an out-of-network doctor, your out-of-pocket expenses may be greater.

Make Your Dollars Go Further: Use In-Network Providers

Using in-network providers will almost always lead to cost savings for you. If you use out-of-network providers, you will pay higher out-of-pocket costs, which means you will use the money in your HSA faster than if you were to use in-network providers. This is because:

1. In-network doctors charge less than out-of-network doctors, because in-network providers have agreed to a negotiated rate.
2. Out-of-network providers can charge you any amount. And, these charges do not apply toward your out-of-pocket maximum. If you use in-network providers, you don't have to worry about being charged more than the plan's limits. Please see Coinsurance on page 5 for more information about out-of-network charges.

Don't Forget!

You can help pay your annual deductible and your portion of coinsurance using money in your HSA.

Find In-Network Providers

Be sure to visit the Anthem Lumenos website (www.anthem.com/ca) to ensure your doctor is in the network before receiving services.

Coinsurance

Once you pay the annual deductible, the plan begins to pay a percentage of the cost of service and you pay the rest. This is called “coinsurance.”

The percentage you pay for care depends on what type of provider you use:

Coinsurance	
In-Network Providers	20%
Out-of-Network Providers	40%

While you can use out-of-network providers, you will pay higher out-of-pocket costs when you do. This is because out-of-network providers can charge any amount they choose in exchange for their services.

Additionally, the total amount you pay for out-of-network services will be based on reasonable and customary limits, or the amount that Anthem Lumenos determines is the normal range of charges for a covered service. If the charges are higher than what Anthem Lumenos considers normal, then you will be required to pay the out-of-network provider any amount not paid by the plan. (This extra amount is on top of your deductible and coinsurance amount.)

Coinsurance—A Real Life Example

If you go to an in-network doctor for a sore throat **after** you meet the deductible, you pay 20% of the cost of the office visit, the strep test your doctor performs, and the antibiotics your doctor prescribes. The plan pays the other 80%. If you choose to go to an out-of-network doctor instead, you pay 40% of the cost of the visit and the antibiotics your doctor prescribes, plus any difference between the covered expense and the actual charges billed by the out-of-network provider.

Out-of-Pocket Maximum

The plan limits the amount you pay out of your pocket each year. This amount is called the “out-of-pocket maximum.” Once you reach this maximum, the plan pays 100% of the cost of services for the remainder of the year (up to reasonable and customary limits). Keep in mind, the out-of-pocket maximums are separate for in- and out-of-network providers.

	In-Network	Out-of-Network
Employee Only	\$3,000	\$6,000
Employee + Spouse/Child(ren)/Family	\$6,000	\$12,000
<i>Individual limit</i>	\$3,000	\$6,000

The most an individual will have to pay is \$3,000 for in-network expenses and \$6,000 for out-of-network expenses, after which the plan will pay 100% of covered expenses for that individual only. The remaining family out-of-pocket maximum can be met by adding the expenses of all family members, after which the plan will pay 100% of covered expenses for all covered family members for the rest of the year.

Any amount you pay toward the annual deductible and coinsurance counts toward the out-of-pocket maximum. However, you will be responsible for paying any amount charged in addition to what the plan deems reasonable and customary (R&C) and this amount does not apply to your out-of-pocket maximum.

Out-of-Pocket Maximum—A Real Life Example

If you go to the doctor for a sore throat **after** you meet the deductible **and** the out-of-pocket maximum, you pay \$0. The plan pays 100% of reasonable and customary charges (R&C).

Be a Smart Shopper

To use the Anthem Lumenos HDHP wisely, you must be willing to educate yourself about the real costs of health care. Be a smart consumer when you shop for health care services, because it will affect the amount you pay in coinsurance.

- Find the best medical services at the best rates in your area. Anthem has tools for this on its website, www.anthem.com/ca, under Member Needs (on the home page, click Menu, then Member Needs under the Support column). You will need to log in in order to use the tool.
- Be your own advocate. Research care and treatment, including what has provided the best results. Talk with your doctor about what you find. Ask if there may be a more effective and less costly option.

Your Health Savings Account (HSA)

The most unique feature of the Anthem Lumenos HDHP is the Health Savings Account (HSA). Unlike the other plans offered by The Claremont Colleges, when you enroll in the Anthem Lumenos HDHP, you can open and contribute to an HSA. You own the HSA and can use the money in the account to pay for current and future medical, dental, and vision care expenses.

How It Works

START IT!

Enroll in the Anthem Lumenos HDHP and open an HSA.

Enrollment in **Medicare Parts A and/or B** makes you ineligible to open an HSA.

GROW IT!

You can make contributions from your paycheck on a pre-tax basis (IRS limits apply).

Your employer will make a contribution for 2018 unless you are a highly compensated employee (you had annual compensation on your prior-year W-2 of \$120,000 or more in 2017).

Once your HSA balance reaches \$1,000, you can **invest your money** in mutual funds.

USE IT!

Use the money in your HSA to pay for covered health care—either through an HSA debit card or HSA checkbook.

Withdrawals from your HSA (for qualified health care expenses) are **tax-free!**

You only need to **save receipts for tax purposes.**

Open an HSA through Your Bank

You can also open an HSA through any bank you choose. If you choose to open an account through a bank other than Mellon Bank, be sure to check with your bank about a monthly maintenance fee. You will also need to set up an ACH Direct Deposit for the post-tax contributions to any bank that is not Mellon Bank, as the banking arrangement Anthem has is only with Mellon Bank. Keep in mind, you must open your HSA with Mellon Bank in order to receive the automatic employer contribution from The Claremont Colleges.

***Note:** The HSA is established by the employee and administered by an independent bank. It is not established or administered by The Claremont Colleges or the Anthem Lumenos HDHP.*

START IT: Opening an HSA

If you enroll in the Anthem Lumenos HDHP, you can open an interest-bearing HSA managed by Mellon Bank. You will only receive the employer contribution to your HSA if the account is with Mellon Bank. When you enroll in an HSA, you'll receive a welcome kit from Mellon Bank with more information about opening and using your HSA. You can also access Mellon Bank's online HSA resource, **BenefitWallet**, at www.mybenefitwallet.com. Log on today for complete information about BenefitWallet and a variety of HSA tools.

For information about the monthly maintenance fees and rate schedule for Mellon HSAs, go to www.mybenefitwallet.com, or call 877-472-4200.

Please note: In order to open an account with Mellon Bank, you must have a physical mailing address (not a P.O. Box).

GROW IT: Making Contributions

Your Contributions

Once your HSA is open, you can make contributions in two ways:

1. Pre-tax contributions automatically deducted from your paycheck.
2. Post-tax contributions deposited by you or your spouse directly to your account.

You can make changes to start or stop your pre-tax HSA contribution amounts at any time. You do not need a qualified life event to make changes. (Changes to pre-tax contributions will be effective on your next paycheck.)

The Claremont Colleges Contributions

The Claremont Colleges will also make a contribution to your HSA (Mellon Bank HSAs only) as a lump sum in January of each plan year to help you get started:

HSA Contributions	
Employee Only	\$450
Employee + Spouse/Child(ren)/Family	\$900

Please note: If you join The Claremont Colleges after the beginning of the year, the employer contribution will be prorated.

Once your HSA reaches a certain minimum, you can choose to invest in select mutual funds. Your HSA banking partner will provide you with a list of funds available and help you set up your HSA investments.

Contribution Limits

All the money in your account is yours to spend on eligible health care expenses or save. The table below shows the maximum amount that can be contributed to your HSA in 2018. Eligible employees may receive contributions from The Claremont Colleges. Such contributions are subject to the IRS contribution limits listed below.

Tier Level	2018 HSA Contribution Limit	Employer Contributes* ...	So You Can Contribute up to ...
Employee Only	\$3,450	\$450	\$3,000
Employee + Spouse**/Child(ren)/Family	\$6,900	\$900	\$6,000

* Non-highly compensated employees only who are not enrolled in Medicare.

** Domestic partners do not qualify for employer contributions.

Each year, the maximum amount you can contribute to your HSA may change, per IRS regulations. *It's your responsibility to ensure contributions don't exceed the annual limit. Tax penalties may apply on excess contributions.* Consult your personal tax advisor for more details.

Enrolled in Medicare?

If you are enrolled in Medicare Part A and/or Part B, you are not eligible to open or contribute to an HSA.

Age 55 or Over?

You can contribute an additional \$1,000 above the amount listed in the chart to the left as a catch-up contribution.

Important! Qualified Health Care Expenses

You can use your HSA for expenses that would generally qualify for the medical, dental, and vision expenses income tax deduction:

- Deductibles
- Office visits
- Prescription drugs
- Hospital stays and lab work
- Speech/occupational/physical therapies
- Dental work
- Vision exams

If you use your HSA funds for non-qualified expenses, you will be charged a penalty tax of 20% in addition to paying income taxes on the amount. Be sure to keep your receipts for tax purposes.

If you have questions about HSA regulations, including eligible dependents, covered expenses, or contribution limits, go to www.anthem.com/ca and log in as a member.

USE IT: Spending (or Saving) Your Funds

Spending Your HSA Funds

Once you open your HSA, you'll receive a debit card linked to your account. You can use this debit card to pay for any eligible expenses, and the money will be taken directly from your HSA. Keep in mind, there is a daily limit on how much you can charge to your HSA debit card (\$3,000 per day).

In addition to your HSA debit card, you can request to receive an HSA checkbook. You can write a check for any amount, up to the balance in your HSA.

Your HSA funds can be used for care for any of your qualified dependents as defined by the IRS. Qualified IRS tax dependents include:

- Spouse
- Children who are considered IRS tax dependents and are full-time students (age 19 through age 24), including stepchildren, foster children, children placed for adoption, legally adopted children, and children of domestic partners.*
- Incapacitated children age 26 and over who are permanently and totally disabled.

** While the Patient Protection and Affordable Care Act allows parents to add their adult children (up to age 26) to their health plans, the IRS has not changed its definition of an eligible dependent (i.e., under age of 19 or under age of 24 if full-time student) as it pertains to Health Savings Accounts. For example, an employee who covers a 25-year-old child under the Anthem Lumenos HSA health plan is **not eligible to use HSA funds to pay the dependent child's medical expenses**.*

Please consult your tax advisor to see if your dependent meets the definition of an eligible dependent.

Saving Your HSA Funds

You may want to consider saving your HSA funds for future use. Consider the following:

- Unused money in your HSA will roll over into the next year.
- Your account may earn interest and grow over time—any interest and other investment earnings are yours to keep!
- You never lose the money in your HSA—you can take the account with you if you leave The Claremont Colleges.

Remember, you always own the money in your HSA, including any contributions from your employer.

Making Payments

- You may also choose to pay out of your pocket and not use the funds in your HSA.
- If all of your HSA funds have been used, you'll pay your health care expenses out of your pocket.
- There is a daily limit on how much you can charge to your HSA debit card (\$3,000 per day). If you are using an HSA checkbook, you can write a check for any amount, up to the balance in your HSA.

HSA Rules/Regulations

The HSA has many benefits. But, there are some important rules to remember:

Domestic Partners

The IRS doesn't consider a domestic partner to be a spouse under federal tax law, regardless of state law exceptions. Therefore, you can't withdraw funds tax-free to pay for your domestic partner's qualified expenses, unless your domestic partner is a "qualified tax dependent" as defined by the IRS.

Flexible Spending Account Participation

If you enroll in the Anthem Lumenos HDHP, you cannot enroll in the Health Care Flexible Spending Account (FSA). However, you can contribute up to \$2,600 to a special FSA called a Limited Scope Health Care FSA. This FSA offers limited-scope reimbursements for eligible non-medical expenses, such as dental and vision plan deductibles, copays, and coinsurance. Additionally, once you've met your medical plan's deductible, you can use the Limited Scope Health Care FSA to cover medical expenses and prescription drug costs. However, you will have to file to provide proof to the FSA administrator that you have reached your annual deductible, and you'll only be able to file paper claims for these expenses. The Limited Scope Health Care FSA Debit Card cannot be used for medical or prescription drug expenses at any time. For more information, see the guide *Using the Limited Scope Health Care Flexible Spending Account (FSA) and Health Savings Account (HSA) Together*.

Not Everyone Can Open an HSA

All employees are eligible to enroll in the Anthem Lumenos HDHP. However, you aren't eligible to open an HSA if you are:

- Enrolled in Medicare Part A or Part B
- Enrolled in another medical plan, unless it's a qualified high deductible health plan
- Eligible to be claimed as a dependent on another individual's tax return
- Married with your spouse enrolled in a health FSA through his/her employer
- Not a U.S. resident
- A veteran and have received veterans' benefits within the last three months
- Active military.

Anthem Lumenos HDHP FAQs

Below are a few frequently asked questions about the Health Savings Account.

Q: How is my HSA funded?

A: Your HSA is funded by your own pre-tax contributions (unless otherwise instructed, contributions are taken in equal amounts from each paycheck) or post-tax contributions, and by the employer contribution made by The Claremont Colleges which is deposited into your Mellon Bank HSA at the beginning of each plan year.

Q: Can my spouse make contributions to my HSA?

A: Yes. Any qualified dependent can make post-tax contributions directly to your HSA as long as he or she is not contributing to a Health Care Flexible Spending Account. However, keep in mind that contributions to your HSA can't exceed the IRS contribution limits. Contact Mellon Bank for information about making post-tax deposits.

Q: Are there any fees associated with an HSA?

A: Yes. If you open an HSA through Mellon Bank, there is a monthly maintenance fee. Contact Mellon Bank for the fee schedule.

If you open an HSA through any other bank, there may be associated fees. Please check with your bank for their specific fee schedule.

Q: What happens to my Mellon Bank account if I leave the plan or leave The Claremont Colleges?

A: If you leave the Anthem Lumenos HDHP or stop making contributions to the HSA due to a leave of absence or termination, your Mellon Bank account will remain open but your bank card will be deactivated. You may use online bill pay or a check (if a checkbook was requested when active) for use on eligible expenses for any remaining funds in the account. If you return and re-enroll in the Anthem Lumenos HDHP, you may order a new card(s) at a \$5.00 fee per card.

Q: What if I enrolled for Medicare this year, but have an HSA from previous years?

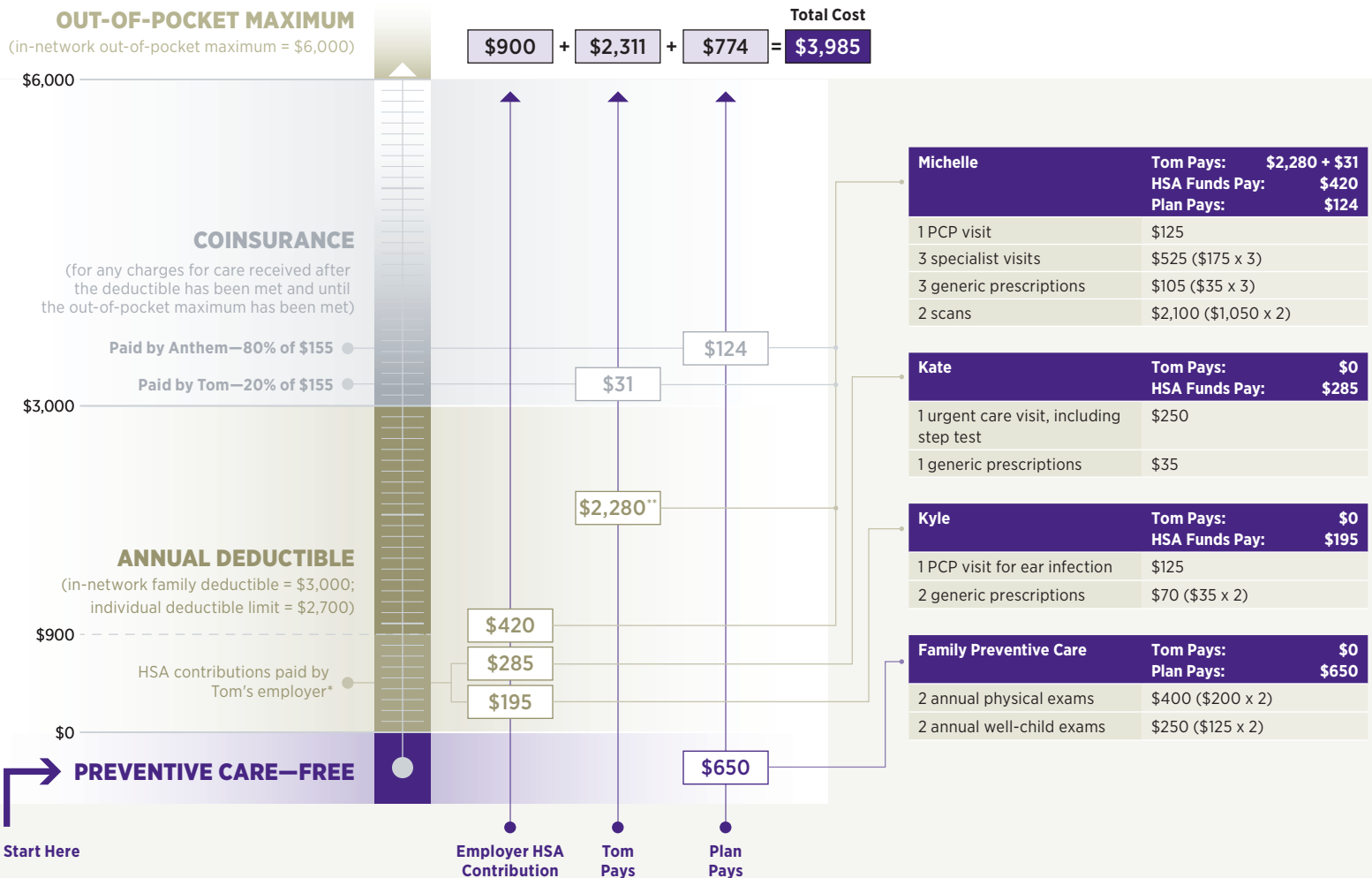
A: If you are enrolled for Medicare Part A or B, you are not eligible to make contributions to an HSA. However, if you have an HSA balance from previous years, you can continue to use those funds until the balance reaches \$0 (with no penalty).

An Example of Your First Year Costs: Meet Tom ...

Tom enrolled his wife (Michelle), daughter (Kate), and son (Kyle) in the Anthem Lumenos HDHP this year. He is a non-highly compensated employee and is not enrolled in Medicare Part A or Part B.

Let's see how the plan works for Tom and his family:

- Tom and Michelle see their in-network doctors for annual physical exams. Kate and Kyle also get their annual well-child exams before school starts. These exams are provided at no cost since they are preventive services.
- Kyle gets an ear infection and visits his in-network doctor who prescribes medication for him.
- Kate gets a sore throat. She goes to an urgent care center where a strep test indicates that she has strep throat, for which the doctor prescribes antibiotics.
- As a result of intense back pain, Michelle's doctor orders multiple scans, follow-up visits, and medications to ease her pain and determine its root cause.



* Because Tom is a non-highly compensated employee enrolled in employee + spouse/child(ren)/family coverage, his employer contributes \$900 to his HSA.
 ** Michelle meets the individual deductible.

What Happens When You Visit the Doctor?

When you enroll in the Anthem Lumenos HDHP, you'll receive a debit card and/or checkbook to pay for qualified health care expenses. Here's how you pay for expenses:

At the Doctor's Office

- 1 Present your medical ID card** when you visit the doctor. When you see an in-network doctor, you should not have to pay anything at the time of your visit.
- 2 Your doctor will submit a claim to Anthem.** You might also receive a copy of the bill, but you aren't required to pay anything yet if you used an in-network doctor.
- 3 Anthem applies your benefits** and notifies the doctor of the amount you're responsible for paying.
- 4 Anthem will send you an Explanation of Benefits (EOB)** that summarizes the amount that was covered by Anthem and the amount you owe your doctor.
- 5 Your doctor will send you a bill** for the amount you owe.
- 6 Use your HSA checkbook or debit card to access the funds in your HSA to pay your doctor.**

Filling a Prescription

- 1 You receive a prescription from your doctor.**
- 2 Use Anthem's online tools to check prices and find an in-network pharmacy.**
- 3 Drop off the prescription at an in-network pharmacy.** The pharmacy will connect to Anthem to determine your benefits.
- 4 Anthem determines how much the plan pays** and tells the pharmacy how much you're responsible for paying.
- 5 The pharmacy fills your prescription** and charges you the appropriate amount. (If the prescription is for a preventive drug, you will not be charged.)
- 6 Use your HSA debit card to access the funds in your HSA to pay the pharmacy.**



Questions?

- Contact CUC Benefits Administration at 909-621-8151, or BENREPS@cuc.claremont.edu

- Contact Anthem Lumenos:
- Call: 866-207-9878
 - Visit: www.anthem.com/ca

- Contact BenefitWallet:
- Call: 877-472-4200
 - Visit: www.mybenefitwallet.com

Cost-Saving Tips and Tools

You get the most value out of the Anthem Lumenos HDHP by making smart decisions about your health care. Here are some tips and tools to help you do just that:

Tips: Things you can do now to save on health care

Tip or Tool	How It Can Help You Save
Take advantage of your free preventive care	Your free preventive checkups will help you stay on top of any small health issues that could eventually turn into more serious health problems.
Use in-network providers	You'll pay less—a lot less—when you go to providers who participate in the network. Anthem has pre-negotiated rates with in-network providers.
Choose generics	If your doctor recommends or prescribes a brand-name drug, ask if there is a generic. Most of the time there is a generic that is just as effective, but carries a lower cost. <i>Remember, with this plan, you pay a percentage of the total cost of the drug, so it's best to price drugs to find the best value.</i>
Think differently about health care	Your health care decisions make a big difference in how much you spend. Become a health care “shopper” by looking for in-network services, finding the best medical services at the best rates in your area, asking your provider questions about your care, and researching treatment options.
BenefitWallet	An online resource where you can track your HSA funds, calculate your HSA savings, and learn about tax advantages. Visit www.mybenefitwallet.com for more information.
Anthem Coverage Advisor	Provides a personalized cost estimate of what you're likely to pay for future health care services. If you open an HSA, it can also suggest how much to contribute to help cover costs.
Health Coaching Programs	Get connected with a specially trained registered nurse to manage ongoing health conditions and other health needs.
24/7 NurseLine	You can call the 24/7 NurseLine to get answers to your immediate health care questions. Registered nurses are on hand to answer your calls 24 hours a day, 7 days a week.
Cost Estimator	Allows you to estimate your and your family's out-of-pocket costs under the Lumenos plan, based on information you enter about your health status. The estimates include out-of-pocket costs for care and any amount you pay for your coverage out of your paycheck.
MRI & CT Scan Member Outreach	Anthem Health Outreach Specialists are available to assist you in choosing a facility for MRIs and CT scans, a choice which can affect your out-of-pocket costs. Visit http://www.anthem.com/imaging/ for more information about the program, the rating of facilities, and other helpful information.

Tools: Available on the Anthem member website (www.anthem.com/ca)