

Your health, your money, your choice

Aetna HealthFund®
Health Savings Account

Manage health care
costs *and* plan for
the future.

Underwritten or administered by
Aetna Life Insurance Company (Aetna)

PPO/POS II/OAMC

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We want you to know®



Put your plan to work for you

Now you can control how you spend, or save, your health care dollars with the Aetna HealthFund Health Savings Account (HSA) plan. You get the protection of a health insurance plan coupled with a tax-advantaged health savings account.

You own your HSA, so you decide how to put it to work for you.



Use it today

Begin by putting money into your HSA.* Then use your HSA to pay for your qualified health-related expenses.

Your HSA comes with an Aetna HSA Visa® debit card. It's an easy way for you to pay for any qualified out-of-pocket expenses.

Plan for tomorrow

Your HSA is also a great way to save for future health care expenses. You can plan for health-related costs in your retirement by growing your HSA today. Watch your HSA grow with tax-free interest.

It's your money

You own your HSA, so it's yours to keep. Money left in your account at the end of the year rolls over into the next year. Even if you change health plans or jobs, your HSA goes with you.

A winning pair

There are two parts to your Aetna HealthFund HSA:

- The health savings account
- The health plan

And we have tools and resources to help support you every step of the way.

Let's look at each part; then see how they work together.

HSA at-a-glance

- You own your HSA
- Your HSA can grow over time, tax free
- No minimum balance to earn interest

Your Health Plan

- Pay your medical and prescription expenses with your HSA
- You pay and let your HSA grow

*Your HSA may include an employer contribution. Employer contributions to the health savings account are not considered taxable income.

We can all use some help managing our health care benefits – especially the costs!

Your Health Savings Account

Choose how much to contribute

- There is no minimum contribution.
- Put any amount into your HSA, up to \$2,900** for individual coverage/\$5,800** for family coverage, each year.

Your Health Savings Account

- You put money in to pay for your qualified expenses
- Your account rolls over year after year, even if you change health benefits and health insurance plans

Information and tools to help you use your HSA

- Aetna Navigator™ (your secure member website)
 - > Track your HSA balance
 - > Find a doctor
 - > Review the cost of care
 - > Find drug costs
 - > Check the status of claims

And more...

- If you do not put the maximum in your HSA by the end of the plan year, you can still make a contribution to your HSA for that year, as long as you make the contribution before the date you need to file your federal income tax return for that year (typically, April 15 of the next year).
- Even if you enroll in the plan after the start of the year, you can still contribute to the HSA as if you had been enrolled in the plan for the entire year. However, if you do not remain covered under the plan for at least 12 months after the last day of the plan year in which you enrolled in the plan, then any contributions made to the HSA for the months before the month you enrolled in the plan will be included in your gross income and subject to an additional tax of 10 percent.

Choose how to contribute

There are two ways to put money into your HSA:

- Regular payroll deduction (if offered)
- By check or electronic funds transfer (EFT)

If the money you put in through a payroll deduction is less than your annual maximum contribution amount, it's easy to make up the difference. Just write a check for the rest of the amount, anytime during the year. Depending on your plan, deductions may be made before taxes are taken from your paycheck. If not, be sure to claim your total contributions as a deduction when you file your taxes.

"Catch-up" contributions

If you or your spouse is age 55 or older, you can make a "catch-up" contribution to your HSA. In 2008, your "catch-up" limit is \$900 per year. It increases to \$1,000 in 2009. If your spouse is 55 or older and wants to make a catch-up contribution, it must be made to his/her own individual HSA account.

If you are age 65 or older *and* are enrolled in Medicare Part A or B, you can no longer contribute to your HSA. But your HSA will stay open and you can continue to withdraw your HSA dollars.

**2008 maximums. Will be adjusted for cost of living in future years.

Your Health Plan

Your Medical Benefits

The basics

- Visit any doctor or facility for covered services.
- Your plan includes deductibles and an out-of-pocket limit.
- Preventive care services are part of your plan. You generally pay nothing for these services, and they do not count toward your deductible.

See your Plan Design and Benefits summary in your enrollment kit for your plan details.

How it works

First meet your plan's deductible

- There are two kinds of deductibles:
 - > **Individual deductible** — if you enroll alone, you pay this amount each year before your plan starts to pay.
 - > **Family deductible** — if you enroll with one or more of your dependents, you pay this amount for one family member or any combination of family members, before your plan starts to pay.

(Your plan may have separate deductibles for in-network and out-of-network services.)

Now your plan covers most eligible costs

- When your deductible has been met, you pay a share of the cost each time you seek care from an in-network doctor or facility.
- You pay a higher share when you see an out-of-network doctor or facility.
- Your medical plan also includes an out-of-pocket limit. This is a cap that limits how much you pay for covered services in a year.
- When your costs reach this limit, remaining qualified expenses are covered by the benefits plan at 100 percent, up to the annual or lifetime benefit maximum.

Your Prescription Drug Benefits (if in your plan)

- When you fill prescriptions, you pay the full discounted cost until your deductible is met.
- We have special rates with the pharmacies in our network. So you may save when you visit a participating pharmacy.
- When you meet your deductible, you pay a share of the cost for each covered prescription until your out-of-pocket limit has been reached.
- See your Plan Design and Benefits summary in your enrollment kit for your plan details.

Coverage for preventive care

Preventive care is typically covered in full and does not count toward your deductible.

This may include:

- Routine physicals
- Well-child exams
- Well-woman exams
- Routine mammograms
- Certain screenings
- Vision and hearing exams

See your Plan Design and Benefits summary for details.

Find a list of recommended preventive care services on your secure Aetna Navigator member website. Ask your benefits administrator for a guest ID if you are not registered for Aetna Navigator.



We put the information you need right at your fingertips.

Helping you make decisions about your care

The Aetna HealthFund HSA plan puts you in control. It's your money; you decide how to spend it.

To do that, you need information and resources that help you understand how to meet your health care needs.

Whether it's finding the cost of a new drug or estimating the savings power of your HSA, our tools give you the confidence to make informed decisions about your care.

Information you can use

Getting started

As you consider the HSA plan, you'll find tools to help you:

- Understand your HSA contribution options
- Explore how your HSA can grow
- Find what your costs may be this year
- Look for network doctors*

Throughout the year

Personal health and benefits information is a click away, with Aetna Navigator. Visit anytime to:

- See your HSA balance, summary and activity
- Check who is eligible

- Review claims status
- Estimate the cost of care in your area
- Estimate the cost of a prescription drug, before you pay
- Research health topics

"Qualified Expenses" under your HSA

Use your HSA for qualified health-related expenses as defined by the IRS. Some expenses that are not covered by your plan may be considered qualified expenses by the IRS. You can pay these costs from your HSA. Here are some examples:

- Deductibles
- Braces
- Dental care
- Contact lenses
- Some over-the-counter drugs

See Aetna Navigator for a list of qualified IRS expenses. Or get a copy of IRS Publication 502 by calling 1-800-829-3676 or by visiting the IRS website at www.irs.gov. Click on "Forms and Publications."

Your Plan Design and Benefits summary will highlight many of the expenses that are covered (or not covered) by your health plan. A complete description is available once you enroll.

Tips on how to make the most of your HSA

1. Use regular payroll deductions, if available.
2. Put in the annual maximum when possible.
3. Pay for health costs out of pocket to let your HSA grow toward retirement.
4. Get lower costs with in-network care.
5. Save with Aetna Rx Home Delivery®, if you have prescription drug coverage with Aetna.
6. Get your preventive care — it's usually covered in full.
7. Make informed choices about your health care with our tools.
8. If you are 55 or older, make "catch-up" contributions.

*Need a paper directory? If you are a member, call the toll-free Member Services number on your ID card. If you are not yet a member and may enroll in our plan, call 1-888-87-AETNA (1-888-872-3862).

Your plan in action

TODAY

See how a typical family, the Monroes*, used their Aetna HealthFund HSA to manage their health care for one year.

Plan Details:

- The Monroes must meet a family deductible of \$3,000.
- Once the family deductible is met, they pay a share of their expenses — 20% for care in the network; 40% for care out of the network.
- Their HSA balance is \$1,500.
- Preventive care is covered in full and does not apply to their deductible.

Jennifer:

Preventive Care: Covered in full
 Physical exam – \$139
 GYN visit – \$139
 Mammogram – \$118
 Other:
 Monthly prescription** —
 \$40 a month X 12 months = \$480

Sarah:

Preventive Care: Covered in full
 Physical exam – \$142
 Other:
 Childhood asthma treatments
 Doctor – \$270
 Pharmacy – \$616
 Medical tests – \$332

Michael:

Preventive Care: Covered in full
 Physical exam – \$139
 Other:
 Sick visit – \$100
 Lab work – \$65

Jamie:

Preventive Care: Covered in full
 Physical exam – \$127
 Other:
 Sick visit – \$100
 Prescription for ear infection – \$40

TALLY SHEET

Total family medical expenses (including preventive care):	\$2,807
Preventive care covered in full — paid by the plan:	- \$804
Total amount family must pay:	\$2,003
The Monroes want to keep at least \$500 in their HSA to save toward future medical expenses.	
HSA funds used to pay for care***	- \$1,000
The family's expenses were less than their deductible. So, they did not have to pay a percentage of their costs, and did not reach the plan's out-of-pocket limit.	
The Monroe family pays out of pocket:	\$1,003

How they saved

- ✓ Each family member received preventive care, covered in full.
- ✓ Jennifer, Jamie and Sarah used generic drugs to save money.
- ✓ The family used network doctors to get the Aetna rate.
- ✓ Jennifer used Aetna Navigator to track family expenses and research health care costs.

*This example is to show how the plan works. It does not show the events of an actual member.

**You can use your HSA to pay for prescription costs even if you do not have an Aetna drug plan. For those who have drug coverage with Aetna: Until your deductible is met, you pay the plan's negotiated rate for any prescription drugs directly to the pharmacy at the time of purchase. Copayments apply only after the deductible is met.

***Reimbursement from HSA funds is limited to the amount of money available in the account at any given time.



Planning for retirement*



TOMORROW

Jennifer and Michael think about their health care costs once they retire. They look at ways to make other annual contributions to their account going forward.

Jennifer is 40; Michael is 39. If they contribute until age 65 (without making the "over 55 catch-up contribution"), their HSA can grow as shown in the chart.

This chart shows estimated projections and is not tax or investment advice. It is based on tax tables published by the IRS and subject to change. Your federal marginal income tax rate depends on your tax return filing status and taxable income. See www.irs.gov for more information. See a tax advisor to find out what is right for you.

The chart shows general HSA features. It does not replace or modify plan documents or other member material.

	ANNUAL HSA CONTRIBUTION AMOUNT		
	\$1,000	\$2,000	\$3,000
Total Savings for Future Medical Expenses (at age 65) [†]	\$34,343	\$68,687	\$103,032
Annual Tax Savings ^{††}	\$330	\$660	\$990
Accumulated Tax Savings (at age 65)	\$8,580	\$17,160	\$25,740

[†]This chart assumes that no funds were withdrawn from the account and that there is a 2 percent investment rate of return each year. It also assumes that the member is in the HSA for an entire year and contributing up until the age selected (65). It assumes that the contribution amount and interest rate selected stay constant until the member stops contributing.

^{††}Based on a federal marginal income tax rate on yearly income of 33%.

*This example is for illustrative purposes and does not reflect the events of an actual member.

Frequently asked questions

Q: What is an HSA?

A: It is a tax-advantaged account. This means money goes in tax free, earns interest tax free and is not taxed when it is taken out to pay for qualified expenses.

At the end of the year, money left in your HSA rolls over into the next year.

You own your HSA, so you keep the money if you change jobs or health plans.

Q: How do I contribute to my HSA?

A: You can contribute:

- Through regular payroll deductions (if available through your employer)
- By check or electronic fund transfer (EFT).

Q: Who can contribute to my HSA?

A: Contributions can be made by the following:

- You can contribute, as long as you are enrolled in a high-deductible health plan (HDHP). You cannot contribute if you are covered by another plan that is not an HDHP.
- Your employer may choose to contribute as well.
- Your spouse and other family members can also contribute.

If you need this material translated into another language, please call Member Services at 1-888-98-AETNA (1-888-982-3862).

Si usted necesita este documento en otro idioma, por favor llame a Servicios al Miembro al 1-888-98-AETNA (1-888-982-3862).

This material is for information only and is not an offer or invitation to contract. Health insurance plans contain exclusions and limitations. Not all health services are covered. See plan documents for a complete description of benefits, exclusions, limitations and conditions of coverage. Plan features and availability may vary by location and are subject to change. Providers are independent contractors and are not agents of Aetna. Provider participation may change without notice. Aetna does not provide care or guarantee access to health services. Aetna receives rebates from drug manufacturers that may be taken into account in determining Aetna's Preferred Drug List. Rebates do not reduce the amount a member pays the pharmacy for covered prescriptions.

Investment services are independently offered through JPMorgan Institutional Investors, Inc., a subsidiary of JPMorgan Chase Bank.

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Policy forms issued in Oklahoma include: GR-23 and/or GR-29/GR-29N.

Q: Does the money in my HSA earn interest?

A: Yes. And once your HSA balance reaches \$2,000, you may have the HSA investment service available to you.

Q: When are contributions to my account available for withdrawal?

A: As soon as the funds are deposited.

Q: How do I get money from my HSA?

A: When you've contributed to your account, use your Aetna HSA Visa® debit card or HSA checks for instant access to your HSA. Use it to pay for qualified expenses, quickly and easily. Use your HSA debit card or checks, not your cash.

Q: What expenses can I pay with my HSA?

A: Use it to pay for most "qualified expenses," as defined by IRS Code 213(d). These expenses include, but are not limited to, medical plan deductibles, diagnostic services covered by your plan and over-the-counter drugs.

See a list of allowable expenses on Aetna Navigator. Or get a copy of IRS Publication 502 by calling 1-800-829-3676 or by visiting the IRS website at www.irs.gov and clicking on "Forms and Publications."

Q: Are there fees associated with my HSA?

A: Yes. See the fee schedule in your enrollment materials.

Q: How can I track my HSA balance?

A: You can:

- Go online, using Aetna Navigator.
- Request a monthly paper statement, also through Aetna Navigator.
- Use an ATM. (Note: You may incur an ATM balance inquiry fee.)
- Call Aetna Member Services.

Coverage for today . . . savings for tomorrow

We are pleased that you are considering Aetna HealthFund HSA, a new way to manage your care and your health care dollars.

We look forward to welcoming you as a new member.

