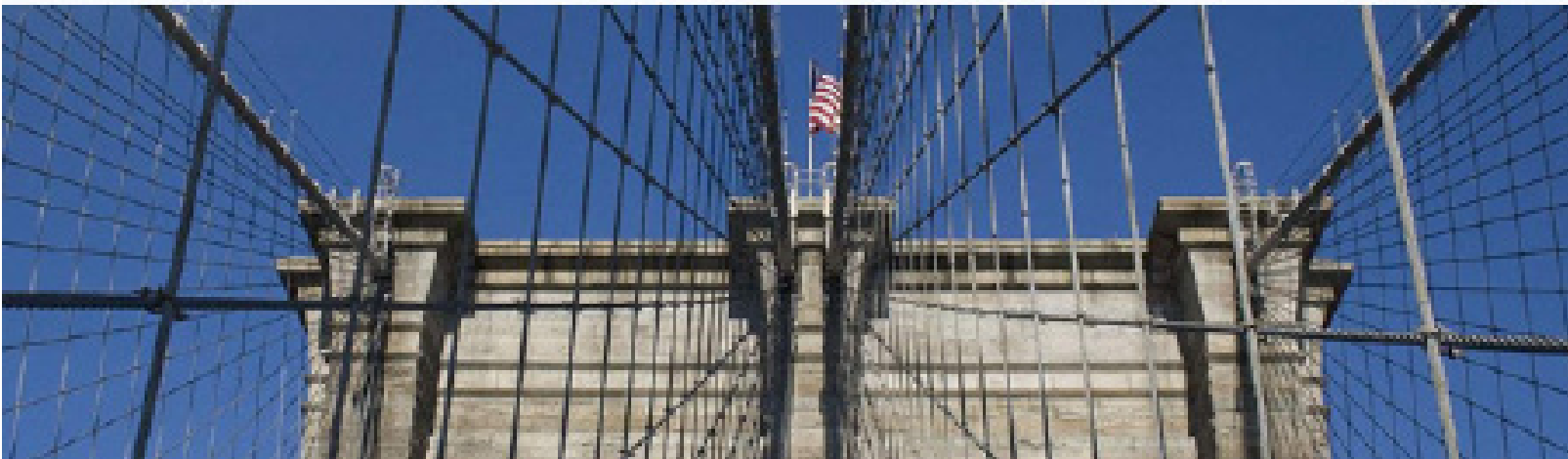




**The New York  
Health Alliance  
HSA Trust<sup>SM</sup>  
Case Study # 1**





## Case Study One: How a 100 employee company will save hundreds of thousands of dollars on its health insurance costs with the New York Health Alliance

American businesses cannot afford the Affordable Care Act. Certain provisions of the Act will cause premiums for New York based employers to increase from 40% to as much as 200% when they are fully implemented. The solution: A customized policy combining a high-deductible health plan with our proprietary HSA Trust<sup>sm</sup> which eliminates the negatives and combines the positives of consumer-driven health plans such as a Health Savings Account (HSA), Health Reimbursement Account (HRA), Flexible Spending Accounts (FSA) and a Medical Expense Reimbursement Plan wrapped into one large welfare benefit plan for each participating employer.



Three years of double-digit premium hikes. Next year will be worse. For many companies in New York, the time has come to re-think health insurance. Let the LIA Health Alliance show you how their products can help you save 20-40% on healthcare premiums.

Read on to see how our strategies can put hundreds of thousands of dollars back into your small business when you need it most.



## Basic Health Care Industry Facts

Money Spent on Medical Care Annually	Percentage of Covered Employees	Aggregate % of Covered Employees	Per 1,000 Employees
No Medical Expenses	33%	33%	330
\$1-\$500	40%	73%	400
\$501-\$1,000	9%	82%	90
\$1,000-\$2,000	7%	89%	71
\$2,001-\$5,000	6%	95%	60
\$5,001-\$10,000	3%	98%	30
\$10,001-\$25,000	1%	99%	12
\$25,001-\$50,000	.5%		5
\$50,001-\$100,000	.2%	99.9%	2
\$100,001+	.1%		1

### Very Few People Have Large Catastrophic Claims

Only about 6% of the average employee population will have claims over \$5,000. That means that the traditionally fully-funded insurance plan is a waste of money for 94% of the employee population it covers.

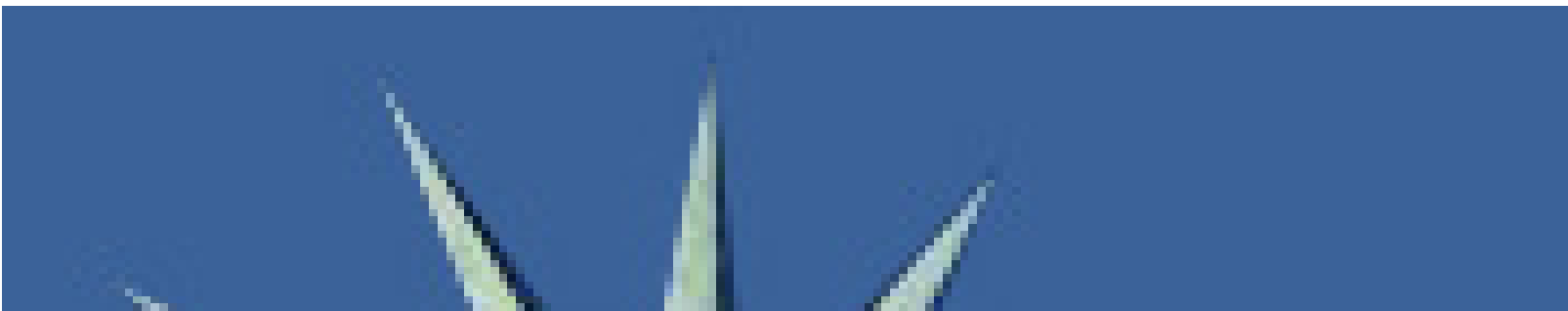
With our high-deductible plan, combined with our proprietary HSA Trust program, the level of wasted premium dollars can be drastically reduced, thereby reducing your overall costs and giving your employees better coverage at a much lower cost.

## ACA Insured Plan vs. NYHA: 100 Employee Company\*

	Single	Family	50/50
Rate	\$605.16	\$1881.80	\$605.16/\$1881.80
ACA Insured	\$726,196	\$2,258,155	\$1,492,176
HDHP	\$406,896	\$1,220,700	\$813,798
SAVINGS	\$324,300 (45%)	\$1,037,455	\$678,328 (46%)

By utilizing a consumer-driven high-deductible health plan (HDHP) as the foundation of our cost saving strategy, the New York Health Alliance demonstrates savings on premiums ranging from 44-57%. To this we add our proprietary HSA Trust, a revolutionary product which combines the best aspects of an HRA, HSA, and FSA with our Medical Expense Reimbursement Plan (MERP). The New York Health Alliance HSA Trust<sup>sm</sup> is, to put it simply, the most comprehensive, tax-advantaged healthcare benefit plan on the market today.

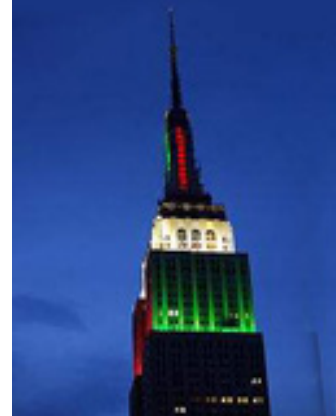
*\* Calculations based on average rates for standard health insurance plan vs HDHP, includes projected 2014 increase applied to both.*





## Premium savings are just the beginning.

The proprietary New York Health Alliance HSA Trust<sup>sm</sup> will save your company more than just excess premium dollars. Our unique combination of savings plan features will also reduce your payroll and Social Security tax liabilities. FICA, FUTA, and Medicare taxes are all calculated based on your existing payroll. By shifting compensation from payroll into medical savings plans, not only do you allow your employees to use pre-tax dollars to pay for their routine medical costs, but you also reduce your taxable payroll, thus reducing the basis upon which your FICA and FUTA taxes are calculated. In an economy where every dollar counts, the New York Health Alliance HSA Trust<sup>sm</sup> saves you more of them.





## The New York Health Alliance HSA Trust: Four Components, One Result: Savings.

Our proprietary plan functions by combining familiar savings plans within a Welfare Benefit Trust. Unlike the standard Sole Employer Trusts (SET), however, the New York Health Alliance HSA Trust does not charge the high initial setup and annual maintenance fees which have traditionally priced these welfare benefit trusts out of the small employer marketplace.

The New York Health Alliance HSA Trust is essentially created from four separate healthcare programs with a single point of administration:

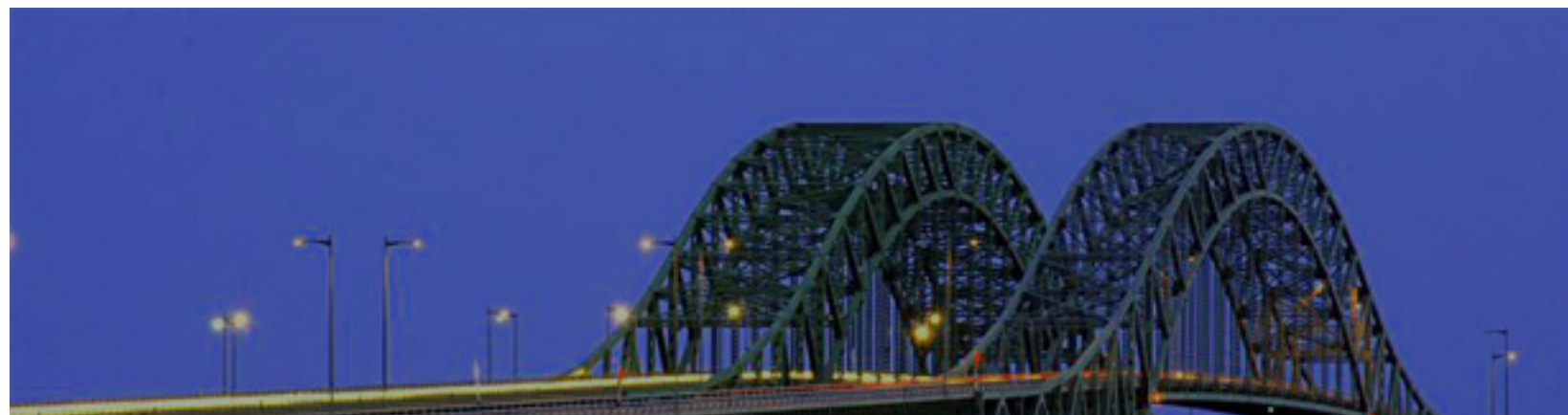
- Health Savings Account (use as tax-advantaged savings plan similar to a 401(k) for employees, past medical expenses and bills can be saved until after retirement then paid tax-free)
- Health Reimbursement Account (employer-paid fund set aside for excess medical expenses, does not have the “use it or lose it” provision of the FSA)
- Flexible Spending Account (voluntary employee-funded plan with attached debit card, cannot be rolled over year to year)
- Medical Expense Reimbursement Plan (allows employer to set aside additional pre-tax funds for allowable expenses, and to repay the handful of people who have large medical bills- usually capped at \$5,000-\$10,000)



## Better Healthcare Coverage, Lower Costs. Finally, a Plan That Delivers.

Traditional healthcare insurance has always followed a very simple model: the more you pay, the more you get. The time has come for a new model, one which can deliver the level of coverage your employees demand within a cost structure that you can afford. The New York Health Alliance HSA Trust<sup>sm</sup> was designed specifically to meet the needs of New York businesses by providing best-in-class coverage with cost savings unheard of in the industry. Our comprehensive plan provides:

- Significant cost savings for the employer
- Similar savings for your employees
- Better coverage for individual employees
- Better coverage for families of employees
- More responsive service
- Cost-effective administration





## Sounds too good to be true? It gets better.

The New York Health Alliance offers unparalleled support services to all its participating employers, and our proprietary HSA Trust<sup>sm</sup> and high-deductible health plans (HDHP) are no exception.

- Health Savings Accounts
- Flexible Spending Accounts
- Health Reimbursement Accounts
- Medical Expense Trust setup and administration
- Prescription Drug Cards
- Access Card for Physicians and Hospitals
- Comprehensive reporting

To learn more about what the New York Health Alliance can do for your business, contact your health insurance broker today.





# The New York Health Alliance

## HSA Trust<sup>sm</sup>

### Medical Expense Reimbursement Plan

### Allowable Medical Expenses

Acupuncture	D&C	Long-Term Care	Prosthesis
Alcoholism	Disabled Dependent	Meals (Inpatient)	Psychiatric Care
Ambulance	Care Expenses	Medical Conferences	Psychoanalysis
Artificial Limb	Drug Addiction	Medical Information	Psychologist
Artificial Teeth	Eyeglasses	Medical Services	Special Education
Bandages	Eye Surgery	Medical Tests	Sterilization
Breast Reconstruction	Fertility Enhancement	Medecines	Stop-Smoking Aids
Birth Control Pills	Guide Dog	Nursing Home	Surgery
Braille Books	Health Insurance	Nursing Services	Telephony
Braces	HMO	Obstetrician	Therapy
Car Modifications	Hearing Aids	Operations	Transplants
(Disability Related)	Home Care	Optometrist	Transportation
Chiropractor	Home Improvements	Organ Donors	Vaccines
CS Practitioner	Hospital Services	Orthodontia	Vasectomy
COBRA Continuation	Insurance Premiums	Osteopath	Vision Correction
Contact Lenses	Laboratory Fees	Oxygen	Weight-Loss Program
Cosmetic Surgery	Lead-Based Paint	Podiatrist	Wheelchair
Crutches	Removal	Post-Natal Care	Whirlpool
Dental Treatment	Learning Disability	Premiums	Wig
Diagnostic Services	Legal Fees	Prescription Drugs	X-Ray

This is only a partial list of possible reimburseable medical expenses under the New York Health Alliance HSA Trust<sup>sm</sup>. For a complete list please see IRS Publication 502 as well as IRC Section 213.