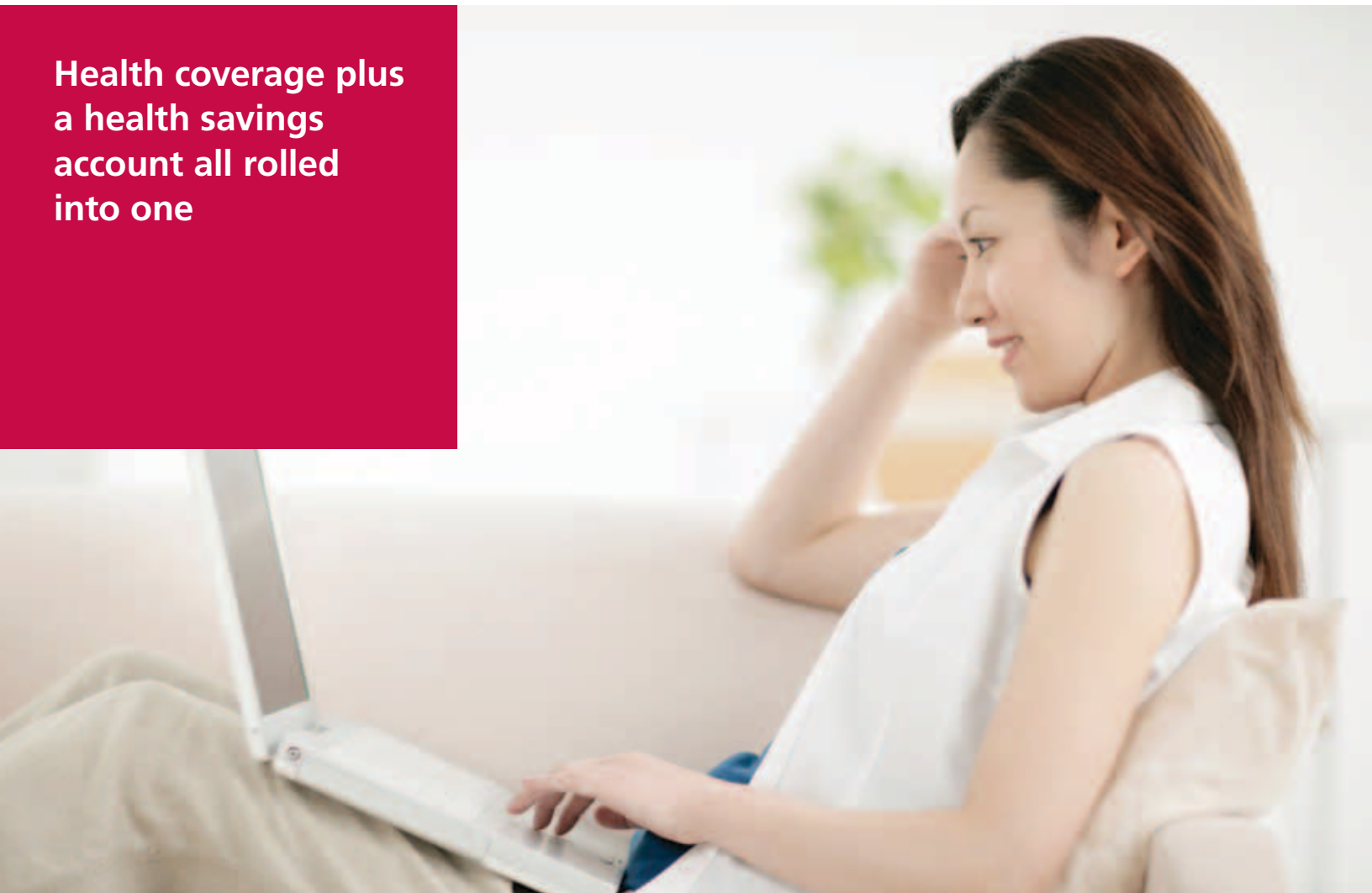


Helping you save and pay for health care expenses now – and in the future

Aetna HealthFund® Health Savings Account (HSA)

Health coverage plus
a health savings
account all rolled
into one



What is an HSA?



People everywhere are discovering an opportunity to save for their health care. It's called a Health Savings Account, or HSA.

An HSA is a personal account that lets you pay for qualified medical expenses with tax-advantaged funds.

It's like having a personal savings account for your health!

HSA's have tax advantages

- Money you put into your HSA can reduce your taxable income — helping you save money on your taxes.
- Money you keep in your HSA earns interest tax free.
- Money you take from your HSA to pay for your medical care is not taxed.

And other advantages

- You own your HSA. This means that, even if you change jobs or health insurance plans, the money in your account is yours to keep.
- Any money that you have not used at the end of the plan year **rolls over to the next year**. Unlike flexible spending accounts, there is no "use it or lose it" rule.
- There are **no set-up fees** or **monthly administration fees**, as long as you are enrolled in an eligible Aetna health insurance plan.

Best of all: You choose how to use your HSA

You can take out money directly from your HSA to pay for **qualified medical expenses**.

Or, you can allow the account to grow over time and use it to help pay for future health-related expenses — like long-term care insurance premiums, COBRA premiums, Medicare and Medicare Advantage premiums.*

What are qualified medical expenses?

The Internal Revenue Service (IRS) allows you to use your HSA to pay for qualified health-related expenses like:

- Your deductible payments
- Your share of doctor and hospital bills
- Prescription and some over-the-counter drugs
- Diagnostic services not covered by your plan
- Wheelchairs
- Dental care and braces
- Hearing aids
- Contact lenses and LASIK surgery
- Organ transplants
- Health premiums if you are unemployed

Did you know?

Some expenses may not be covered by your health insurance plan but the IRS considers them "qualified expenses" for payment with HSA dollars.

For instance, you can use your HSA to pay for **prescription costs** even if your plan does not cover prescription drugs.

If you have any questions:

- Check your plan documents so you know what is AND is not covered by your plan.
- Call Member Services at the number on your HSA debit card. (Look for your debit card in the welcome kit you receive after you enroll.)

Aetna Advantage Plans for Individuals, Families and the Self-Employed are underwritten by Aetna Life Insurance Company (Aetna) directly and/or through an out-of-state blanket trust or Aetna Health Inc. In some states, individuals may qualify as a business group of one and may be eligible for guaranteed issue, small group health plans. To the extent permitted by law, these plans are medically underwritten and you may be declined coverage in accordance with your health condition.

*Once you are enrolled in Medicare, you may no longer contribute additional money to your HSA. However, you may continue to use the money you have already saved in your HSA to pay for qualified medical expenses — including Medicare and Medicare Advantage premiums.



Getting you up and running

Setting up your HSA

Aetna automatically enrolls you in an HSA when you sign up for a health insurance plan that includes an HSA. These “HSA-compatible plans” are known as **high-deductible health plans (HDHPs)**.

Once you are enrolled in an HSA, we will send you a welcome kit. Review the material so we can help you start using your HSA.

Important Information

When you sign up for a qualified high-deductible health plan, we will set up a Health Savings Account (HSA) for you with Bank of America. Bank of America is our HSA Administrator for this plan.

We will give the bank all the information they need to set up the HSA for you. This will include your social security number as required by law. Please be assured that the bank must keep all personal data confidential, as required by law.

Bank of America will send you an enrollment kit and a debit card. If you do not want this HSA, you can do one of two things.

- You can have the bank close the account. Call Bank of America at **1-877-319-8114** to do this.
- Do not activate the debit card or your online account. The HSA will close after 90 days.

If you do want to keep the HSA, refer to the enrollment kit to use the account.

Contributing to your HSA

You, your spouse, family members and others may contribute to your account, up to the yearly maximum.

Choose the amount you wish to contribute each year

In 2010, the IRS allows you to contribute up to \$3,050* as an individual or \$6,150* as a family. There is no minimum that you have to put into your account.

Put money into your HSA whenever, however you want

- Make deposits every month, or in a lump sum anytime you want.
- Write a check or have funds deducted from your bank account through electronic funds transfer. Then, claim these post-tax contributions as a deduction when you file your income taxes.

As soon as funds are deposited into your HSA, they are available for you to use.

They also start earning interest. Tax free! So your account grows over time. There is no minimum balance required to earn interest.

Opportunities to contribute more to your HSA

- If you are age 55 or older, you can make an additional “catch-up” contribution of \$1,000 a year. Your spouse can open an HSA and do the same, when age 55 or older.**
- If you join the high-deductible health plan (HDHP) in the middle of a year, you can still contribute the maximum amount to your HSA that year. But, you must maintain that HDHP coverage for a full 12 months, or your contributions may be subject to income tax and a 10% penalty.
- If you did not put the maximum amount into your HSA in a given year, you can still contribute toward that year’s HSA in the following year. You must make those additional contributions by April 15.

Using your high-deductible health plan and HSA

How it works

Step 1: Visit participating doctors, hospitals and pharmacies and take advantage of Aetna’s negotiated (discounted) rates.

Step 2: Pay for covered services until you meet your plan deductible. Use the money in your HSA, if you want, to pay down your deductible.

Step 3: Get covered preventive care services and your deductible may not apply.

Step 4: Pay a copay or coinsurance after your deductible is met. Use the money in your HSA, if you want.

Understanding the terms

Participating providers

These are doctors, hospitals, labs, pharmacies and other health care professionals that participate in our network. They are also called in-network providers. They have agreed to provide services at reduced rates for our members. If you use them, you may find that they save you money. Visit www.aetna.com to find a participating doctor or facility near you.

Deductible

This is the amount that you must pay before the plan starts paying for covered services. The plan may include a separate deductible for in-network and out-of-network services. Check your plan documents for your deductible amount(s).

Copay or coinsurance

This is the amount you pay after you meet your deductible. The plan starts sharing the cost of care with you at this point. A copay is a fixed dollar amount. Coinsurance is a percentage of the total cost of care. Check your plan documents for your copay or coinsurance amount.

How do you pay for expenses using the money in your HSA?

1. Use the Aetna Visa® debit card that comes with your HSA.
2. Use online bill pay or electronic funds transfer. (Direct payment from your HSA to your health care provider or to your checking or savings account.)

You may only use the funds that are in your HSA (your HSA balance) at the time of withdrawal to pay for qualified expenses.

How can you check your HSA balance?

Log in to your secure member website at www.aetna.com anytime — day or night. You can also request a monthly paper statement that shows contributions to, withdrawals from and interest earned on your account.

You can track your HSA activity through Bank of America, too. (Bank of America is the HSA Administrator.) Just log in at www.benefitsolutions.bankofamerica.com.

*The IRS adjusts these maximums annually for cost of living.

**Once you are enrolled in Medicare, you may no longer contribute additional money to your HSA. However, you may continue to use the money you have already saved in your HSA to pay for qualified medical expenses — including Medicare and Medicare Advantage premiums.

Use your account wisely — our online resources can help

We give you access to tools and information to help you take a more active role in your health care — and spend your health care dollars more effectively.

Go to your secure member website at www.aetna.com. Log in anytime and you'll find information that can help you make more informed decisions.

Track your HSA

Log in to check your HSA account balance, account summary and activity. You can also call Member Services for your HSA information — or to request a monthly paper statement.

Compare costs

Use the **Cost of Care** tools to help you find costs for certain health care services in your area before you seek care. This can help you better plan for your expenses. Look up:

- **Medical procedures**, such as arthroscopy and colonoscopy
- **Office visits**, such as routine physicals and emergency room visits
- **Medical tests**, such as lab tests, X-rays, MRIs and more
- **Diseases and conditions**, including services related to heart disease, asthma, diabetes, and high blood pressure

Compare area hospitals

Use the **Hospital Comparison** tool. It lets you compare certain hospitals in your area on measures that are important to your care. In turn, this can help you decide where to get medical care.

Find a doctor

Search for doctors, hospitals, pharmacies and other health care professionals in your area that participate in our network. Find out some information about them, like education, board certification and languages spoken.

Get plan information

- Order member ID cards
- Check claim status

Answers to common questions about HSAs

Q: Are there any fees associated with my HSA?

A: There are no set-up fees or monthly administration fees (as long as you are enrolled in an Aetna health plan). However, much like a checking account, there are fees for certain services — like an overdraft fee.

Fee description	Fee
Deposited item returned, per item	\$5
Contribution deposit slip re-orders, per 15 slips	\$5
Legal process fee (e.g., attachment, levy or garnishment), per occurrence	\$75
Overdraft fee, per transaction	\$25
Stop payment, each	\$25
Excess contribution, per return	\$25
Copy of account statement, each	\$5
Copy of deposited item, each	\$3
Copy of tax statement, each	\$5

Q: The IRS requires that HSAs be used to pay for qualified medical expenses. Can I use it to pay for non-health-related expenses?

A: Yes. You may withdraw money from your HSA for items other than qualified expenses. But you will be subject to income tax and an additional 10 percent penalty tax on the amount withdrawn (unless you are age 65 or disabled).

You should keep receipts for your HSA purchases to show that you used your HSA funds for qualified expenses. If you are audited and your HSA expenses are questioned, your receipts provide the best proof. **Remember:** Under HSA regulations, you are responsible for determining which expenses are "qualified expenses." Please consult your tax advisor for guidance.

Q: My HSA earns interest. Are there other investment options?

A: Yes. Once your Aetna HSA balance reaches \$1,000, you will have the HSA Investment Service available to you.

The HSA Investment Options include:

Columbia Multi-Advisor International Equity	Columbia Large Cap Value
Columbia Small Cap Growth II	Columbia LifeGoal Growth Portfolio
Columbia Small Cap Value II	Columbia LifeGoal Income and Growth Portfolio
Columbia Mid Cap Growth	Columbia LifeGoal Balanced Growth Portfolio
Columbia Mid Cap Value	Columbia High Income
Columbia Marsico Growth	Columbia Income
Columbia Large Cap Enhanced Core	

Q: What happens to my HSA if I leave my health plan?

A: You own your account, so you keep your HSA even if you change health insurance plans. We can continue to administer your HSA for you if you choose.

Q: Can I make contributions to my HSA as long as I want?

A: If you are no longer enrolled in a high-deductible health plan, you may no longer contribute money to your HSA. You may continue to withdraw whatever funds are left in your account for qualified expenses, but you may not make any new contributions.

If you are 65 or older (enrolled in Medicare), you may no longer contribute new funds to your HSA. You can continue to use money in your HSA for qualified expenses, but you may no longer contribute additional money. **Remember:** The IRS allows people age 55 – 64 to take advantage of "catch-up" contributions — increasing the opportunity for you to save more by age 65.

Q: I understand that I can make "catch-up" contributions at age 55 and older. Do I need a separate account for them?

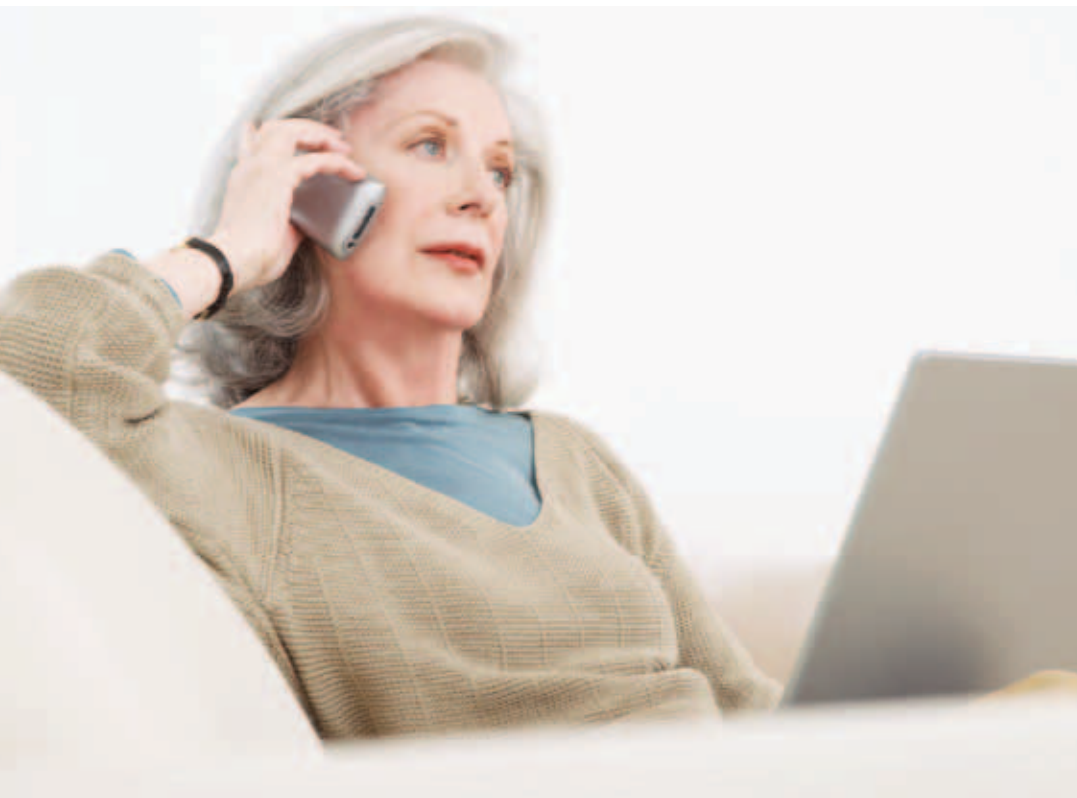
A: Yes. Bank of America, the HSA Administrator, will work with you to set it up.

Q: What are the survivor benefits associated with my HSA?

A: Your HSA may transfer to your surviving spouse tax free. Otherwise, your balance becomes part of your estate.



Put the power of a Health Savings Account to work for you



Find out more

About Aetna individual health insurance plans

Call your broker or Aetna sales representative about individual health plans — especially our high-deductible health plans with HSAs. They can help you figure out which plan might be right for you and your family.

About HSAs

Call **1-866-791-0250** and talk to a Bank of America representative. Bank of America administers the HSA portion of the high-deductible health plans that we offer. They would be happy to answer any questions you have about HSAs.

Questions about your Aetna plan?

If you are an Aetna plan member, call the Member Services number on your Aetna ID card. Our representatives can help.

Investment services are independently offered by the HSA Administrator.

Visa® is a registered trademark of Visa International Services Association.

Aetna does not offer, and nothing in this material constitutes, tax counseling or advice.

This material is for information only. Plans may be subject to medical underwriting or other restrictions. Rates and benefits vary by location. Plans are not available in all states. 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. Health information programs provide general health information and are not a substitute for diagnosis or treatment by a physician or other health care professional. Information is believed to be accurate as of the production date; however, it is subject to change. For more information about Aetna plans, refer to www.aetna.com.

IN CT, THIS PLAN IS ISSUED ON AN INDIVIDUAL BASIS AND IS REGULATED AS AN INDIVIDUAL HEALTH INSURANCE PLAN. Policy forms issued in Oklahoma include: Comprehensive PPO-GR-11741 (5/04); Limited-GR-11741-LME (5/04) and Dental-11826 Ed 9/04.

