

MESSA ABC: Answers to Frequently Asked Questions

Find detailed information about how MESSA ABC helps you save money at messa.org/MESSAABCs. You can find specific details about your plan in the Member Area at messa.org. [Login](#) or [register](#) to view your benefits and coverage online.

Q: What is MESSA ABC?

A: MESSA ABC is an account-based health plan designed with deductible levels that are compatible with federal law governing Health Savings Accounts (HSAs). [Learn more about how MESSA ABC and an HSA can help you save more](#). MESSA ABC:

- costs 10% to 25% less than standard PPO plans
- gives members instant savings through lower premiums in exchange for a higher deductible
- provides three different deductible options
- includes a best-in-class HSA administrator, HealthEquity, to minimize claims payment and account management hassles associated with an HSA. With HealthEquity, everything is online in a secure website. Members enrolled in a MESSA ABC plan are not charged an HSA setup fee or monthly HSA administration fees

Q: MESSA is known for great member service and high-quality coverage. Will MESSA ABC provide the same service and quality?

A: Yes. MESSA ABC gives members access to the same great MESSA member service at 800.336.0013 as well as our statewide network of local Field Representatives.

Q: What are the advantages of having a lower-premium, higher-deductible MESSA ABC health plan?

A: MESSA ABC plans cost less than standard PPO plans, giving you immediate premium savings. When you pair your MESSA ABC plan with an HSA, you and your employer can also contribute pre-tax dollars to your HSA, lowering your taxes this year, protecting you against out-of-pocket deductible costs, and helping you stretch your health care dollars even further. [Learn more about smart strategies to save you money](#).

Q: MESSA Choices/Choices II PPO plans give members a wide choice of doctors, hospitals, specialists and pharmacies. Will I have a large choice of In-network hospitals, doctors and specialists with MESSA ABC?

A: MESSA ABC includes the same [large PPO network](#) of family doctors, expert specialists, hospitals and pharmacies that MESSA members enjoy with MESSA Choices/Choices II coverage. If your family doctor, specialist, pharmacy and hospital are In-network with MESSA Choices/Choices II, they are In-network with MESSA ABC.

Q: My MESSA ABC plan includes a higher deductible than I've had before. Why is the deductible so much higher with MESSA ABC?

A: Higher deductibles save you 10% to 25% off the premium compared with MESSA's standard PPO plans. Also, because MESSA ABC plans are HSA-qualified, they can be paired with a tax-sheltered Health Savings Account. HSA-qualified plans are governed by federal law and the IRS code, which specifies a minimum deductible level. An HSA allows you and your employer to put pre-tax money away in an account you own to help cover deductible expenses tax-free. [Learn more about reducing your taxes and saving for future health care expenses tax-free.](#)

Q: When does the deductible start?

A: The deductible year is the calendar year (Jan. 1 to Dec. 31). For example, if your first medical expense for the year is a visit to see your In-network family doctor Jan. 5, and the charge is \$110 for the office visit, the \$110 charge is applied to your MESSA ABC In-network deductible. You will be responsible for paying the entire \$110 (**Reminder:** if the visit was a preventive care office visit it is free and you will owe nothing).

Q: Does my ABC plan deductible apply to all medical expenses?

A: Under [federal law](#), most medical expenses, including the cost of prescription drugs, are subject to the deductible. That's a key difference between HSA-qualified plans such as MESSA ABC and standard health plans. With HSA-qualified plans, federal law requires that spending on prescription drugs is subject to the plan deductible (**Reminder:** MESSA ABC covers hundreds of [free preventive prescriptions](#)).

Q: I like the "free" components to MESSA ABC. What benefits are free?

A: Preventive care received from In-network providers, such as annual physicals, cancer screenings and preventive lab tests, are covered for free and are not subject to the plan deductible. Additionally, MESSA ABC covers hundreds of [free preventive prescriptions](#).

Q: Do I have to pay the full cost of non-preventive prescription drugs that are subject to the deductible?

A: Yes. Under [federal law](#), all non-preventive prescriptions are subject to the MESSA ABC deductibles. MESSA's contract with our underwriter, Blue Cross Blue Shield of Michigan, caps your cost at the same amount the Blues' has negotiated with the pharmacy. This saves you significant money over regular retail prices. Additional out-of-pocket charges can apply if you insist on a brand name drug when a generic version is available and is medically appropriate (the additional costs you incur do not apply to your deductible). Also, MESSA ABC covers hundreds of [free preventive prescription drugs](#) at no charge to you. These preventive prescriptions are not subject to the deductible.

Q: Do MESSA ABC plans have a 4th quarter deductible carry-over feature?

A: No. Because of federal law governing HSA-compatible plans, annual deductibles with MESSA ABC plans start over every Jan. 1.

Q: Do the deductibles in MESSA ABC plans work the same as standard MESSA Choices/Choices II plans in regard to individual and family deductible levels?

A: No. With a standard MESSA Choices/Choices II plan, there is both an individual and a family In-network deductible for 2-person and family coverage. However, HSA-qualified plans, including MESSA ABC plans, have deductible levels that are directly related to the specific level of coverage chosen by the employee:

- Employees who choose a MESSA ABC health plan with coverage for a single person are subject to the single person MESSA ABC deductible:
 - MESSA ABC Plan 1 single-person coverage has a \$1,250 In-network deductible
 - MESSA ABC Plan 2 single-person coverage has a \$2,000 In-network deductible
 - MESSA ABC Plan 3 single-person coverage has a \$3,500 In-network deductible
- Employees who choose 2-person or full family coverage are subject to the MESSA ABC family deductible:
 - MESSA ABC Plan 1 with 2-person or family coverage has a \$2,500 In-network deductible
 - MESSA ABC Plan 2 with 2-person or family coverage has a \$4,000 In-network deductible
 - MESSA ABC Plan 3 with 2-person or family coverage has a \$7,000 In-network deductible

For more information about how deductibles work or if you have questions about your deductible responsibilities, call MESSA's Member Service Center at 800.336.0013.

Q: Are there separate deductible levels for medical services received from In-network and Out-of-network providers?

A: Yes. The Out-of-network deductibles are twice the In-network deductible amounts. With all MESSA plans, it is always important to use In-network doctors, hospitals, labs and pharmacies. Using In-network providers minimizes your out-of-pocket expenses and ensures that you are not subject to extra charges. Out-of-network providers that do not participate with MESSA's underwriter, Blue Cross Blue Shield of Michigan, can add extra charges (called "balance billing") to a patient's bill that are not covered by insurance. You'll go through your savings faster.

Q: With MESSA ABC, do I have to go to an In-network provider?

A: You don't have to see In-network providers, but it is to your financial advantage to do so. MESSA ABC works just like MESSA Choices/Choices II plans when it comes to networks and the advantages of using In-network providers. In-network providers have agreed ahead of time to accept a discounted fee for medical services from MESSA's underwriter, Blue Cross Blue Shield of Michigan. The Blues' discount and your savings can be substantial. Using In-network providers saves you money on out-of-pocket costs and lower deductibles. It also saves your MESSA health plan money, helping to hold down costs for you. [Search for an In-network provider.](#)

Q: What happens after I meet the deductible amount? I have a \$20 office visit copayment with my current MESSA Choices plan. Will I have to pay office visit copayments with a MESSA ABC plan too?

A: No. Until you meet your In-network deductible, you will be responsible for the entire cost of In-network office visits (other than preventive care services which cost you nothing). After you meet your deductible, In-network office visits are fully covered and there is no patient copayment. [Learn more](#) about smart strategies to put your deductible to work for you.

MESSA ABC Plans 1 and 2

With MESSA ABC Plan 1 and Plan 2, once you meet your In-network deductible, the cost of an office visit is fully covered with no patient copayment responsibility. Once you've met your Plan 1 and 2 In-network deductibles, the only In-network medical expenses you are responsible for are copayments on prescription drugs (based on the MESSA Saver Rx copayment schedule).

MESSA ABC Plan 3

With MESSA ABC Plan 3, once you meet your In-network deductible you will be responsible for prescription drug copayments (based on MESSA Saver Rx copayment) and the plan will pay 90% of the approved amount (this is called coinsurance) of the In-network medical service.

Q: What preventive prescriptions are covered for free?

A: Currently, hundreds of preventive prescriptions are covered at no charge to MESSA ABC members. Covered preventive prescriptions include contraceptives for women, prenatal vitamins, and medications for weight loss, quitting smoking, high blood pressure and high cholesterol.

Q: What preventive medical services are covered at no charge to me?

A: In order to be covered at no charge to you, preventive services must be provided by an In-network provider. Free preventive services include adult and child immunizations, flu shots, cancer screenings, well-baby visits and annual physicals. For a complete list of covered preventive services visit: www.uspreventiveservicestaskforce.org.

Q: What is the difference between preventive care and diagnostic medical services?

A: In-network preventive care services are covered at 100% while diagnostic services usually require individuals to pay for all or part of the cost of the service.

- Preventive care refers to specific services that have been proven to prevent or identify problems early.
- Diagnostic services start when you already have signs of a health problem; therefore, your doctor may order tests to further diagnose your condition. When this happens, these services are subject to your deductible.

Q: Where can I get a complete list of my benefits?

A: To view your benefit coverage and review your plan coverage booklet, log into the Member area at www.messa.org. You can also review a general overview of [MESSA ABC benefit highlights](#).

Q: My association has bargained a choice for employees between a MESSA ABC plan and a standard MESSA Choices/Choices II plan. How can I get help to make the right choice for me?

A: For some people, a standard PPO plan is the best choice for their personal situation, while for others an HSA-compatible plan like MESSA ABC is better. Only you will know what choice is right for you. MESSA and HealthEquity have developed a [custom comparison calculator](#) to help you “run the numbers” for your personal situation using various scenarios, details on the specific plans you are choosing between, and your expected medical costs over the next year. You can also call MESSA’s Member Service Center at 800.336.0013 or HealthEquity’s Member Service line at 877.218.3432.

Q&As on Health Savings Accounts (HSA) and Related Issues

Q: I have a MESSA ABC plan now. Where do I go to start an HSA?

A: MESSA has partnered with [HealthEquity](#), an experienced HSA administrator, offering extensive support, online decision-making tools and seamless integration with MESSA’s ABC health plan. When you enroll in a MESSA ABC plan, access to a HealthEquity HSA will be provided to you and you will receive a Member Welcome Kit directly from HealthEquity. You, not your employer, are the account owner. There are no HealthEquity setup fees or monthly administrative fees for MESSA ABC plan members. **For more information about HealthEquity, call HealthEquity’s Member Service line at 877.218.3432.**

Q: What if I am covered under my spouse’s insurance but I want to enroll in one of the MESSA ABC plans and contribute to an HSA?

A: If you are covered under another medical plan that is not HSA-compliant, you are not eligible under IRS rules to contribute to a Health Savings Account (see [IRS Publication 969](#)). For more information about MESSA ABC and your HSA eligibility, see [HSA Eligibility and Opting Out of Your HealthEquity HSA](#).

Q: How do I know if I’m eligible for an HSA?

A: To be [eligible](#) to open an HSA, you must meet the following requirements:

- Be covered under an HSA-qualified health plan on the first day of any month for which eligibility is claimed (see [IRS Publication 969—Health Savings Accounts and Other Tax-Favored Health Plans](#)).
- Not be enrolled in Medicare.
- Not be claimed as a dependent on someone else’s tax return.
- Have no other insurance except what’s permitted by the IRS.

Q: I am considering an HSA-qualified MESSA ABC health plan for myself. My husband will be keeping his non-HSA-qualified health plan through his work and we're going to keep our children covered on his plan. Can I use the money in my HSA to pay for my children's medical expenses, copayments and deductibles?

A: Yes, you can use money from your HSA to pay for your child's eligible out-of-pocket expenses as long as the child is claimed as a dependent on your tax return.

Q: I want to cover my 25-year-old daughter under my MESSA ABC health plan as allowed by the Affordable Care Act (ACA). However, she is not eligible to be claimed as a dependent on my tax return. Can I use funds from my HSA to pay for her out-of-pocket costs such as copayments and deductible expenses?

A: Under the ACA, adult children up to age 26 can be insured by their parent's MESSA ABC health plan whether or not they are claimed as dependents by their parents. However, funds from a parent's HSA can be used to pay for an adult child's eligible medical expenses only if the child is claimed as a dependent on the parent's tax return. If the adult child is self-supporting or doesn't qualify as a tax deduction, that child can be covered by their parent's MESSA ABC plan but they can't use funds from the parent's HSA. Single adult children who are insured under their parent's MESSA ABC plan can open their own HSAs and contribute up to the annual family maximum: \$6,250 for 2012. For specific guidance on your personal circumstances, confer with your tax adviser or an attorney.

Q: Can I have a Health Savings Account AND a Flexible Spending Account?

A: In most cases, no. The IRS has specific rules for insurance plans that are allowed to coexist with an HSA and plans that would disqualify you from owning an HSA. **For specific questions, contact HealthEquity's Member Services department at 877.218.3432 or a financial or tax advisor for guidance.**

Q: Who owns the HSA?

A: You do.

Q: Can I access my HSA online?

A: Yes. You can see your account balances, HSA debit card balance, claim transactions, and more online. You can also pay providers, request reimbursements, and manage your personal information. Simply visit www.myhealthequity.com or your specific member portal.

Q: How much money can I contribute to my HSA?

A: In 2012, the maximum contribution as set by the IRS for an individual account is \$3,100 and the maximum contribution for family coverage is \$6,250. People over the age of 55 can make an additional "catch-up" contribution of \$1,000. These limits are the same regardless of the source of the contribution.

Q: Who can put money in my HSA?

A: Anyone can contribute to your HSA. However, only the account holder and the employer receive tax deductions on monies contributed. And only your contribution is tax-free.

Q: What happens to the money in my HSA if I leave my job or retire?

A: You take that money with you. It's your account. If you're on Medicare or go to another employer that doesn't have a qualified High Deductible Health Plan, you can still use your HSA money to pay for co-pays and qualified medical expenses, but won't be able to continue to make contributions to your HSA.

Q: Does the money I have in my HSA roll over from year to year or do I lose the money at the end of the year?

A: The money rolls over from year to year. You don't lose the money left in your HSA or the interest it has earned. It's your money.

Q: Can I take the money out of my HSA any time I want?

A: Yes. You can take money out anytime tax-free and without penalty as long as it's to pay for qualified medical expenses. If you take money out for other purposes, however, you'll have to pay income taxes on the withdrawal plus a 20% penalty.

Q: Does the money in my HSA earn interest?

A: Yes, and tax-free. HealthEquity calculates, compounds, and credits interest monthly based on the applicable rate for different tiers of the account balance.

Q: Can I invest the money in my HSA?

A: Yes. Similar to an IRA, many HSAs let you choose to invest your account balance in stocks/bonds, mutual funds, CDs, and/or annuities. With your HealthEquity HSA, you can typically invest in pre-selected mutual funds after you reach a \$2,000 balance in your account.

Q: Is my HSA FDIC-insured?

A: Yes. However, eligible monies in investments are not FDIC-insured.

Q: Can I roll the money from my IRA into my HSA?

A: Yes. You can make a one-time rollover from your IRA into your HSA. You can't, however, roll money into your IRA from your HSA. Note that a rollover will count against annual contribution amounts. For more information, call your dedicated HealthEquity Member Services line at 877.218.3432.

Q: Do I pay for the full doctor's office visit when I go to the doctor?

A: You're responsible to pay the discounted amount that MESSA and Blue Cross Blue Shield of Michigan have contracted to pay your doctor until your deductible is met. You can use your HSA for this expense. It's best to have your doctor's office put the charge through to your insurance, so that you receive credit toward your deductible and know exactly what to pay. Some doctors may require that you pay up front, but most bill your insurance, and then bill you only once the claim has been processed. Make sure you don't pay more than your portion shown on the explanation of benefits statement you receive from MESSA.

Q: If my spouse is on Medicare, can I contribute to an HSA?

A: Yes. As long as you're not enrolled in Medicare yourself and are still enrolled in a qualified High Deductible Health Plan, you can contribute to your HSA.

Q: Can I use the money in my HSA for non-medical expenses?

A: Yes. If you do, though, and are under 65, you'll be taxed on the money you use and assessed a 20% penalty. Once you're 65, you'll be taxed for monies used for nonmedical expenses, but won't pay a penalty.

Q: Can I use my HSA to pay for dental expenses and orthodontics?

A: Yes. These expenses may not apply to your insurance deductible though.

Q: Can I use my HSA to pay for voluntary cosmetic surgery?

A: The HSA can be used for cosmetic surgery only if prescribed by a physician as being medically necessary.

Q: Who do I contact about HSA eligibility and other questions?

A: If you have questions about HSA guidelines, you should call HealthEquity Member Services 24/7/365 at your dedicated service line, 877.218.3432.

Other Questions?

MESSA's award-winning Member Service Center is here to help you. Please call **800.336.0013** Monday through Friday between the hours of 8 a.m. and 5 p.m. to speak with a Member Service Specialist. You will also find more information and helpful tools at our special [MESSA ABC website](#).