

FORMULA BENEFITS
Health Reimbursement Arrangements
Flexible Spending Accounts
Self-Funded Dental Administration
Short-Term Disability Administration
Vision Administration

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Brochure and Pricing for 2010 Services

For all the smiles...



And all the smiles to come.

Servicing Employer's Benefits Needs
Since 1987

2010 PRICING FOR ADMINISTRATIVE SERVICES

- **Self-Funded Dental Administration**
 - \$2.75 per employee per month
- **Health Reimbursement Arrangements (HRA)**
 - \$3.25 per employee per month
- **Flexible Spending Accounts (FSA)**
 - \$3.95 per employee per month
- **Dependent Care Assistance Plans (DCAP)**
 - \$3.95 per employee per month
- **Short-Term Disability Administration**
 - \$1.50 per employee per month
- **Self-Funded Vision Plan Administration**
 - \$1.50 per employee per month
 - Call for Details

Commission is paid per request on a per employee per month basis.
All services have a \$50.00 Minimum Monthly charge.

Did you know?

Each tooth in the human mouth has a predictable life cycle and a maximum expense that it can incur.

The sole purpose of having insurance is to protect people from damaging, unexpected, and catastrophic financial losses.

When dealing with dental expenses there really are no damaging, unexpected or catastrophic financial losses. Especially since most plans are capped between \$1,000 and \$1,500. Dental care expenses are highly predictable, quite small, and are not over utilized by individuals. This is the ideal set of circumstances for self-funding.

The ADA states that on average, only 67% of Americans will visit the dentist in a given year. Other sources claim this number to be as low as 50%.

Why pay expensive monthly premiums for a benefit that is not fully utilized by employees?

SELF FUNDED DENTAL PLAN ADMINISTRATION

ADMINISTERED BY FORMULA BENEFITS

Formula Benefits has been Administering Self-Funded Dental Plans for clients since 1987.

2010 Administrative Fees:
***\$2.75 Per Employee Per Month,**
regardless of single or family coverage.

Set up Fee: \$2.95 Per Employee (includes preparation of Summary Plan Description)

Key Features of Formula Dental Plans

Complete plan customization to suit the employers needs.

Low Administrative Fees.

Choice of Provider Networks while retaining the ability to see any provider either In-Network or Out-of Network. (see networks below)

Formula Network: Over 1,200 participating providers in the Twin Cities Metro and surrounding areas. (No Additional Charge for access). Typical discount of 10%–12%.

Premier/DHA Network: (Over 7,300 providers in Minnesota alone). Expanded network for employers with participants located in Minnesota and/or throughout the Nation. (Additional \$1.15 per employee/per month regardless of single or family coverage.) Typical discount of 13%–16%.

*\$50.00 monthly minimum

Reimbursement for
213(d) Medical
Expenses including:

HEALTH REIMBURSEMENT ARRANGEMENTS (HRA) ADMINISTERED BY FORMULA BENEFITS



Medical Deductibles



Prescription Drugs



**Dental &
Orthodontics**



Vision & Lasik



Chiropractic Care

Formula Benefits has been Administrating HRA's since their inception. Presently Formula Benefits has over 100 public and private sector clients utilizing our HRA administrative services.

**2010 Administrative Fees:
\$3.25 Per Employee Per Month
regardless of single or family coverage.**

Set up Fee: \$2.95 Per Employee (includes preparation of Summary Plan Description)

Advantages of HRAs for employers include:
Reimbursements of qualified claims are tax-deductible .

Unused funds can either be rolled over or reverted back to the employer.

Advantages of HRAs for employees include:
No use -it-or-lose-it rule like FSA's.

HRAs may be offered in conjunction with other employer-provided health benefits including Flexible Spending Accounts.

Employees do not have to be covered under any other health care plan to participate, unlike a Health Savings Account (HSA) which requires a High Deductible Health Plan.

Employees can be reimbursed for a expenses that meet their or their families' specific needs, as opposed to a traditional plan.

Reimbursement for
213(d) Medical
Expenses including:



Medical Deductibles



Prescription Drugs



Dental & Orthodontics



Vision & Lasik



Chiropractic Care

FLEXIBLE SPENDING & DEPENDENT CARE ACCOUNTS (FSA & DCAP)

ADMINISTERED BY FORMULA BENEFITS

Formula Benefits has been Administrating Flexible Spending Accounts for clients since the company was founded in 1987.

**2010 Administrative Fees:
\$3.95 Per Employee Per Month
regardless of single or family coverage.**

Set up Fee: \$2.95 Per Employee (includes preparation of Summary Plan Description)

Advantages of FSA's for employers include:
Reduce your annual plan-sponsored medical expenses.

Give employees a tax-advantaged way to save money.

Gets employees more involved in their health care decision making, thus making them better health care consumers.

Advantages of FSA's for employees include:
Deductions are taken before taxes, so you have less tax and more spendable income.

Can be used to offset ever-rising dependent care expenses.

May lower your tax bracket.

Did you know?

According to the American Council of Life Insurers, nearly one-third of all Americans will suffer a disability between the ages of 35 and 65. Statistics like that make short-term disability coverage a vital piece of any employee's financial plan.

How does a Short-Term Disability Policy Work?

Short term disability (STD) pays a percentage of an employee's salary if they become temporarily disabled, meaning that they are not able to work for a short period of time due to either sickness or injury (excluding on-the-job injuries, which are covered by workers compensation insurance).

A typical STD policy provides a weekly portion of an employee's salary, usually 50, 60, or 66 2/3 percent for 13 to 26 weeks. Most STD policies have a "cap," meaning that there is a maximum benefit amount per month.

SELF FUNDED SHORT TERM DISABILITY PLAN ADMINISTRATION

ADMINISTERED BY FORMULA BENEFITS

Formula Benefits has been Administrating Self-Funded Short-Term Disability Plans for clients since 1991.

**2010 Administrative Fees:
*\$1.50 Per Employee Per Month.**

Set up Fee: \$2.95 Per Employee (includes preparation of Summary Plan Description)

Key Features of Formula Short Term Disability Plans

Formula Benefits is extremely flexible and will work with each employer to design a plan that will best suit the company's needs.

Formula Benefits pays Short-Term Disability Benefits as a payroll practice in accordance to the Department of Labor Regulations § 2510.3-1(b)(2).

This simply means that all payments for Short-Term Disability claims will be taken out of the general funds of the employer and paid to the employee coincident with the normal pay period of the employer.