

Administration Proposal

San Francisco Health Care Security Ordinance Compliance

Health Reimbursement Arrangement

Administrative Solutions, Inc.

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The ASi Story

Administrative Solutions, Inc. (ASi) is a highly regarded Third Party Administrator specializing in group benefits. ASi was formed June of 2001.

ASi has positioned itself to be an all inclusive TPA for employers of all sizes and is innovative in providing solutions to employee benefit plans. ASi offers services for Insurance Billing and Capitation Programs, Medical Expense Reimbursement Plans (MERP), Health Reimbursement Arrangements (HRA), Self Funded Dental and Vision Plans, COBRA Administration, Section 125 Plans (FSA), Consolidated Billing, FMLA Billing and Voluntary Benefits

ASi prides itself on outstanding customer service and its success at implementing administrative strategies to meet the growing demand of employer's rising cost. What has been most advantageous to their vast client base is ASi's ability to maintain, reduce and create significant savings through innovative approaches to the employers health and benefits.

ASi Leadership Team

<u>Name:</u>	<u>Position:</u>	<u>Industry Years:</u>
Barry Maas	President	17
Christina O. Castro, RHU CLTC	Vice President	28
Veronica Tsaris	Client Services, Department Lead	15

Leadership Biographies

Barry Maas, President

Bachelor of Science Degree, Business Administration with an Accountancy Option, California State University, Fresno. Barry has an accounting background working in a law firm for over ten years as the office manager with a focus on all aspects of the preparation of the financials and analysis and budget preparation. Barry started ASi in 2001 as he saw a need for a local TPA administering high deductible health plans and COBRA administration.

Christina O. Castro, Vice President

Christina is a certified COBRA administrator, a Registered Health Underwriter and has her certification in Long Term Care. She has been in the Third Party Administration business for over twenty-eight years and previously worked as a consultant for a local broker's office. Christina is a past President of the Central California Association of Health Underwriters and is a member of the International Foundation of Employee Benefits, the Employee Benefit Institute of American and served on the Board of Directors for the California Department of Insurance Education Committee. Christina has written COBRA Administrative procedures for employers and provides seminars throughout California on COBRA Compliance. She currently has two continued education courses approved and filed with the California Department of Insurance.

Veronica Tsaris, Department Manager

Veronica started in the industry in 2003 working with Section 125 Flexible Spending Arrangements. When she joined ASi in 2009 she began working with HRA plans for compliance with the San Francisco Health Care Security Ordinance (HCSO). In 2012 she obtained her Life and Health Insurance license and is currently on the board of the Central California Association of Health Underwriters. In 2013 Veronica became the Manager of the Client Services Department which includes the San Francisco HRA plans for compliance with the HCSO.



Health Care Security Ordinance

The HSCO requires employers who employ more than 20 employees nationwide to satisfy the Employer Spending Requirement (ESR) by making the required healthcare expenditures on behalf of all covered employees; maintain records to establish compliance with the ESR; and submit an Annual Reporting Form by April 30th of each year.

How Can ASi Help?

There are two Health Reimbursement Arrangement (HRA) plan options that ASi can administer to satisfy the ESR. These plans are (1) an Excepted Benefits HRA or (2) an Integrated HRA. ASi also will maintain the required records to establish compliance, and provide the information needed for the Annual Reporting Form.

- **Excepted Benefits HRA** — An Excepted Benefits HRA (EBHRA) will allow reimbursement for eligible dental and vision expenses, as well as long-term care benefits, nursing home, home health, community-based care, and coverage limited to a specific disease or illness.
- **Integrated HRA** — An Integrated HRA (IHRA) is intended to work in conjunction with an employer sponsored group health plan. An IHRA allows for medical expenses and prescription medication, including all other eligible expenses under IRC 213(d). Enrollment for this plan requires an employee to be enrolled in a group medical plan, either through your company or another employer's group plan.



Irrevocable vs. Revocable Expenditures

Irrevocable Expenditure

An Irrevocable Health Care Expenditure is an expenditure that cannot be retained or recovered by the employer. Therefore, once an irrevocable expenditure has been made on behalf of a covered employee, the funds, even if unused, can never be recovered by the employer. This also applies to employees who separate employment with their employer and/or if the business ceases to operate.

Some examples of an Irrevocable Expenditure include:

- Premium payments for medical, dental, vision coverage,
- Payments to the 'City Option',
- Contributions to Health Savings Accounts, Medical Savings Accounts, or other irrevocable reimbursement accounts (i.e. HRAs).

Revocable Expenditure

A Revocable Health Care Expenditure is an expenditure that has been allocated by the employer for the benefit of a covered employee, but has not actually been paid to the employee, or an amount that has been paid to a third party administrator that could be recovered or returned to the employer at any time. HRAs are considered revocable because the employer can recover any funds not spent by the covered employee at the time the funds expire (i.e. 24 months from the date of the expenditure or 90 days after separation of employment if not electing COBRA).

Listed below is the timeline of the Irrevocable vs. Revocable expenditures:

Year	Irrevocable	Revocable
2015	60%	40%
2016	80%	20%
2017	100%	0%



Administration Fees

Proposed Services

- Assist in Plan Design, including Plan Design Options and Features
 - Draft Plan Documents, Summary Plan Description, Corporate Resolution, and Adoption Agreement
 - Assist in Preparing the Annual Reporting
 - Provide Quarterly Template for Quarterly Submission
 - Analyze and Review Quarterly Submission
 - Provide Quarterly Statements for Participants
 - Provide Quarterly Plan Summary
 - Prepare Separation Notices for Terminated Employees
 - Provide Claims Procedures
 - Process Claims Daily
 - Generate Reimbursement Checks Weekly
 - Provide Online Access
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