

being essential

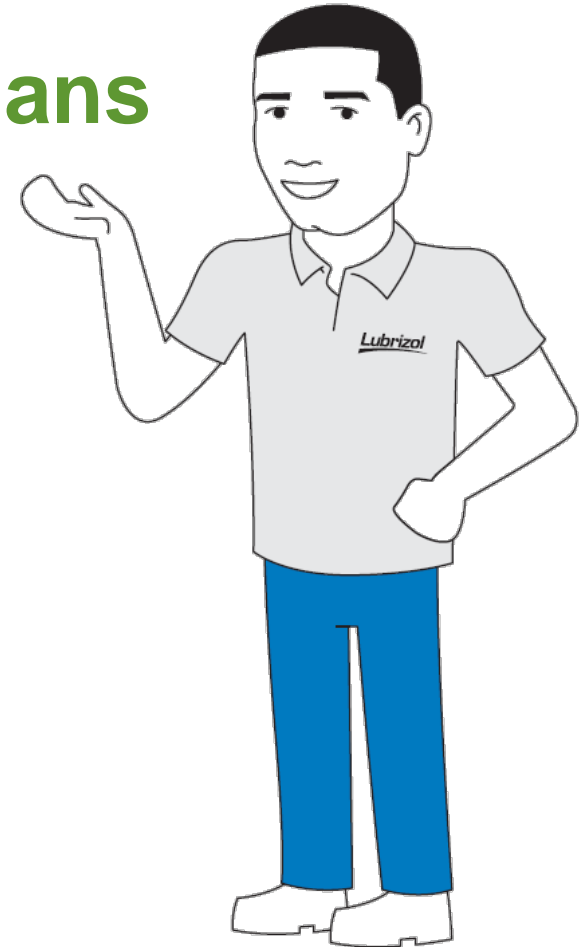


2019 Annual Enrollment Consumer Driven Health Plans

What we'll be talking about today...

Consumer Driven Health Plans

- Features and benefits of a Consumer Driven Health Plan (CDHP)
- How does a Health Savings Account (HSA) work?
- The basics and beyond
- People like me examples

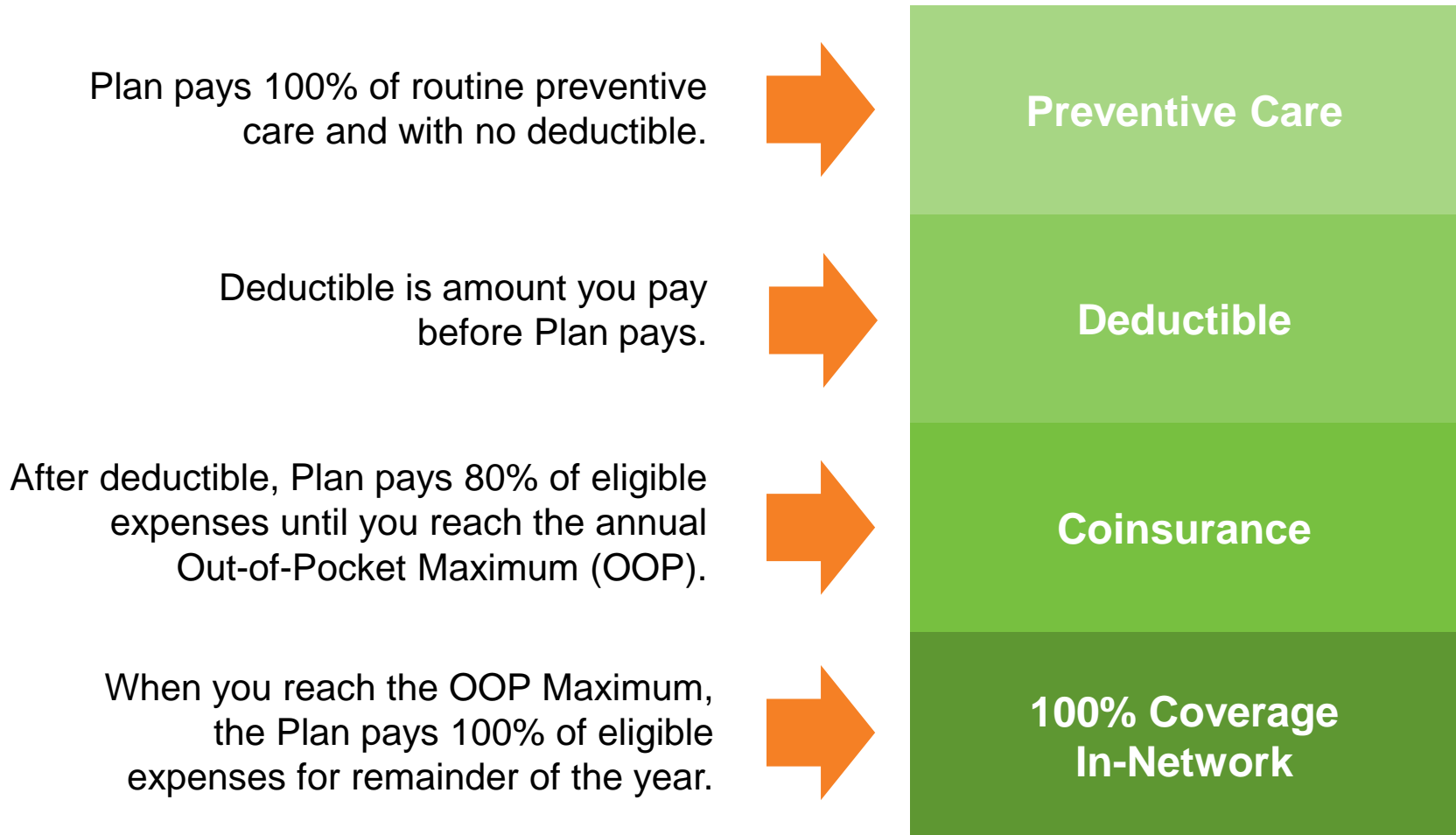


What is a CDHP?

- Provides full protection for you and your family
- Operates much like a traditional PPO with Network Providers, but with a higher annual deductible
- Network discounted rates for services when you receive care from network providers
- Lower payroll deductions
- Combined with a tax-advantaged Health Savings Account (HSA)



How Lubrizol's CDHPs Work



Your 2019 Medical & Prescription Drug Plan Options

Design Features	CORE Single / 2-Person / Family	STANDARD Single / 2-Person / Family	PLUS Single / 2-Person / Family
Annual Deductible	\$4,000 / \$6,000 / \$8,000	\$3,000 / \$4,500 / \$6,000	\$2,000 / \$3,000 / \$4,000
LZ HSA Contribution	N/A	\$500 / \$750 / \$1,000	\$1,000 / \$1,500 / \$2,000
Out-of-Pocket Max	\$5,500 / \$7,500* / \$9,500*	\$4,500 / \$6,000 / \$7,500	\$3,500 / \$4,500 / \$5,500
Biweekly Employee Contribution	\$0 / \$16 / \$23	\$30 / \$83 / \$118	\$63 / \$156 / \$224
Coinsurance	In-Network: 20% Out-of-Network: 40%		
Preventive Care	100%		
Prescription Drug	Preventive Maintenance: 0% Generic: 10% Brand Formulary: 20% Brand Non-Formulary: 30% Biotech/Specialty: 35%		
Surcharges	Medical: \$45 Tobacco: \$35		

* For the Core Plan only \$5,500 Embedded Individual OOPM Limit Applies

Working Together



What is a Health Savings Account?

■ HSAs are individually-owned bank accounts

- The account belongs to you.
- Unspent money in your account carries over from year to year.
- It remains yours even if you change jobs or retire.

■ HSAs are used to help pay for both current and/or future health care expenses

- You can withdraw money tax-free for qualified health expenses for you, your spouse and your eligible dependents.
- Or you can save funds to pay for future expenses.
- You can continue to use funds even if you stop participating.

■ HSAs are triple tax-advantaged

- Contributions are made pre-tax, funds can grow tax free and withdrawals for qualified medical expenses are tax-free.



HSA Reimbursable Expenses

■ Any tax-deductible health care expense

- Because health accounts were created by the tax code, it's the Internal Revenue Service (IRS) that determines what expenses can be reimbursed and what cannot.
- Other expenses: dental and vision

■ Any non-health care expenses

- Taxes apply
- Additional 20% tax penalty before age 65
- Examples: cosmetic surgery, insurance premiums, teeth whitening, weight-loss

■ IRS Reporting

- Keep your receipts for expenses you pay for from your HSA. The IRS may ask you to verify funds were used for qualified medical expenses.

**Use your HSA Optum Debit MasterCard
to pay for covered expenses**



HSA Funding

LUBRIZOL CONTRIBUTIONS

- When you select the Standard or Plus plans, Lubrizol will make a contribution to your HSA

EMPLOYEE CONTRIBUTIONS

- You contribute through pre-tax payroll deductions
 - You can change prospectively any time during the year
- You may choose to make additional after-tax contributions:
 - At any time, any amount, up to the maximum allowed
 - You can claim lump sum amount as a tax deduction on filing



Build Your HSA: Standard & Plus



Coverage	Lubrizol Contributes Standard • Plus	You Can Contribute Up to Standard • Plus	IRS Annual Limit	Catch-Up Contribution
Individual	\$500 • \$1,000	\$3,000 • \$2,500	\$3,500	Contribute an additional \$1,000 if you are age 55 or older in 2019
2-person	\$750 • \$1,500	\$6,250 • \$5,500	\$7,000	
Family	\$1,000 • \$2,000	\$6,000 • \$5,000	\$7,000	

Build Your HSA: Core



Coverage	Lubrizon Contributes	You Can Contribute Up to	IRS Annual Limit	Catch-Up Contribution
Individual	\$0	\$3,500	\$3,500	Contribute an additional \$1,000 if you are age 55 or older in 2019
2-person	\$0	\$7,000	\$7,000	
Family	\$0	\$7,000	\$7,000	

Special HSA Enrollment Considerations

- Employees cannot have other health insurance coverage, including a spouse's Plan, unless it is a "qualified high deductible health Plan."
- Employees cannot be receiving Social Security and enrolled in Medicare.
- Healthcare expenses for covered non-tax dependents, such as an adult child or domestic partner, cannot be reimbursed through the HSA (must be a tax dependent).



You Control Your HSA

You always have a choice about how to use your HSA



- Pay off deductible
- Use for other eligible health care expenses

- Unused dollars roll over
- Save for future expenses
- Grows tax-free over time
- Take it with you

Filing Claims & Paying Bills

The Basics



Filing Claims & Paying Bills – Medical

STEP 1

Receive care at hospital, doctors' office, etc.
Show your UnitedHealthcare Insurance Card and DO NOT PAY.

STEP 2

Provider sends claim to UHC for processing.
Generally, you do not pay the provider until UHC determines negotiated price and then provides an electronic **Explanation of Benefits** to you and the provider.

STEP 3

Once the provider receives an **Explanation of Benefits** from UHC,
if you HAVE NOT met your annual deductible, you are responsible
for paying the provider, based on the negotiated price.
If you HAVE met your annual deductible, UHC will pay the provider directly
and you are responsible for any coinsurance.

Filing Claims & Paying Bills – At the Pharmacy

- Present your CVS Caremark prescription ID card.
- Pharmacy processes the claim directly with Caremark at point of sale, determines discounted price and applies eligible expenses to your deductible and/or determines the coinsurance amount you owe.
- Your share of the prescription's cost may be paid:
 - With your OptumBank Debit MasterCard, or
 - Out-of-pocket.



Using Your Health Savings Account

- Optum Bank Debit MasterCard
- Online bill payment at myuhc.com
- Checkbook option
- ATM cash withdrawals
 - *Fees may apply*



Which Plan is Best for You?

Design Features	CORE Single / 2-Person / Family	STANDARD Single / 2-Person / Family	PLUS Single / 2-Person / Family
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benefits.lubrizol.com

The screenshot shows a web browser window with the address bar displaying <https://benefits.lubrizol.com/Enrollment/Annual-Enrollment>. The page header features the Lubrizol logo and "U.S. Benefits" with a search icon. A navigation menu includes links for Benefits Basics, Enrollment, Healthcare, Life and Work Events, Lubrizol Essentials, Retirement, Other Benefits, Forms, FAQs, and Contacts. The main content area has a breadcrumb trail: Home > Enrollment > Annual Enrollment. The title "Annual Enrollment" is prominently displayed. Below the title, a paragraph explains that annual enrollment is the opportunity to review benefit choices. A "You must take action:" section states that healthcare coverage requires an election during annual enrollment. A list of tools is provided to assist with decision-making. A right-hand sidebar contains a callout about the enrollment site opening on October 22, along with links for Lubrizol.BenefitsNow.com, Vendor Contacts, Benefit Contacts, and CDHP Presentation. The footer includes the copyright notice "©2018 The Lubrizol Corporation".

Annual Enrollment - Lubrizol

<https://benefits.lubrizol.com/Enrollment/Annual-Enrollment>

Lubrizol U.S. Benefits

Benefits Basics ▾ Enrollment ▾ Healthcare ▾ Life and Work Events ▾ Lubrizol Essentials ▾ Retirement ▾ Other Benefits ▾ Forms FAQs ▾ Contacts ▾

Home > Enrollment > Annual Enrollment

Annual Enrollment

Annual enrollment is your opportunity to review your benefit choices and choose the options that are right for you and your family.

You must take action: To have Lubrizol healthcare coverage, you must make an election during annual enrollment. If you do not enroll in coverage during annual enrollment, you will not have medical/prescription drug, dental or vision coverage for the entire year.

We have a number of tools available to you to help you make the right benefit choices for you and your family:

- [2019 Health Plan Changes Overview](#) - this 2-page guide gives you a brief overview of the 2019 changes and updates.
- [2019 Summary of Benefits and Coverage \(SBC\) Documents](#)
- [The Essential Guide to your 2019 Benefits](#) - everything you need to know about the choices you need to make during annual enrollment.
- [CDHP and HSA Video](#) - this brief video gives you an overview of why the CDHP with the HSA is a smart choice (must be on the Lubrizol network to view)
- [Comparison of Benefits](#) - a quick overview of your medical/rx, dental and vision options
- [Employee Contributions](#) - how much you pay toward the cost of your coverage
- [Preventive Maintenance Drug List](#) - generic drugs covered at 100% in 2019
- [Frequently Asked Questions](#) about your benefits
- [Plan Comparison Tool](#) - this interactive tool helps you better understand the cost differences between the available plan options
- [U.S. Preventive Services Task Force - A&B Recommendations](#) (Preventive Services Covered at 100%)
- [IRS Publication 502 - Eligible Health Care Expenses](#)

Enrollment Site Opens October 22

Lubrizol.BenefitsNow.com

[Vendor Contacts](#)

[Benefit Contacts](#)

[CDHP Presentation](#)

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Profile #1

Coverage: Family

Status: Spouse and two children
use health care frequently

Expenses:

- Four preventive care visits (\$0)
- One preventive maintenance prescription (\$0)
- Three primary care office visits (\$150 per visit)
- One ER visit for child 1 (\$1,500)
- One out-patient surgery for child 2 (\$5,000)
- Three non-preventive brand formulary prescriptions (\$125 per script)

	Core	Standard	Plus
Claim Total	\$7,325	\$7,325	\$7,325
What you pay toward annual deductible	\$7,325	\$6,000	\$4,000
What you pay in coinsurance	\$0	\$265	\$665
Employee contribution for coverage	\$598	\$3,068	\$5,824
Your Total Cost	\$7,923	\$9,333	\$10,489
Lubrizol HSA contribution	\$0	\$1,000	\$2,000
Your Net Cost*	\$7,923	\$8,333	\$8,489

*Assumes use of Lubrizol's HSA contribution.
Example is in-network coverage



Profile #2

Coverage: Individual

Status: Active and healthy, but had a scare.

Expenses:

- Two preventive care visits (\$0)
- Series of diagnostic exams for heart palpitations (\$3,200)

	Core	Standard	Plus
Claim Total	\$3,200	\$3,200	\$3,200
What you pay toward annual deductible	\$3,200	\$3,000	\$2,000
What you pay in coinsurance	\$0	\$40	\$240
Employee contribution for coverage	\$0	\$780	\$1,638
Your Total Cost	\$3,200	\$3,820	\$3,878
Lubrizol HSA contribution	\$0	\$500	\$1,000
Your Net Cost*	\$3,200	\$3,320	\$2,878

*Assumes use of Lubrizol's HSA contribution.
Example is in-network coverage



Profile #3

Coverage: Family

Status: Catastrophic health condition for employee and child.

Expenses:

- Four preventive care visits (\$0)
- One preventive maintenance prescription (\$0)
- One ER visit for child (\$1,500)
- One out-patient surgery for employee (\$5,000)
- Two out-patient surgeries for child (\$10,000)
- In-patient stay for employee (\$33,500)

	Core	Standard	Plus
Claim Total	\$50,000	\$50,000	\$50,000
What you pay toward annual deductible	\$8,000	\$6,000	\$4,000
What you pay in coinsurance	\$1,500	\$1,500	\$1,500
Employee contribution for coverage	\$598	\$3,068	\$5,824
Your Total Cost	\$10,098	\$10,568	\$11,324
Lubrizol HSA contribution	\$0	\$1,000	\$2,000
Your Net Cost*	\$10,098	\$9,568	\$9,324

*Assumes use of Lubrizol's HSA contribution.
Example is in-network coverage



benefits.lubrizol.com

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What Question do You Have?

