



The VEBA Plan

Paying your medical claims

As a health plan member, you probably understand what benefits are covered, but do you know how your claims are paid? Do you need to know? Of course you do. Especially if you have a health plan that's paired with a financial account. Like your VEBA Plan.

As a member of the Minnesota Service Cooperatives VEBA Plan, there are three important things that you should know that will help you manage your health care dollars and get more satisfaction from your health plan:

- How your claims are paid
- How to block your VEBA account so you can save the money for the future
- How crossover works and whether you should elect it

Let's start with how your claims are paid. Here's what you need to know.

Your accounts

As a member of the VEBA Plan, you may have two financial accounts to help you pay for medical expenses — a VEBA account (a financial account that's funded by your employer) and a Flexible Spending Account or FSA (an account that you fund).

Your VEBA account is money that your employer gives to you on an annual or monthly basis to help you pay for medical expenses and to meet your health plan deductible. The VEBA account belongs to you, even if you change employment or retire; however, only your employer can put money into the account. The VEBA account can be used to pay for the same type of expenses that are covered by your FSA.

Your FSA is an account that you fund with pre-tax money. Your FSA can be used to pay for medical expenses that are covered under your health plan, and those that are not covered, such as eyeglasses and dental care. You determine how much money to put into the account based on past and future medical expenses for you and your family.

Claims payment and reimbursement

SelectAccount is the administrator of your VEBA account and your FSA. Blue Cross and Blue Shield of Minnesota administers your health plan. Whenever Blue Cross receives notice that you've seen a doctor or received care, they will process a claim against your health plan and pay their portion of the expense. Blue Cross will then notify you of how the claim was processed. If you have signed up for crossover, our automatic

Saving money in your VEBA account

If you have a VEBA account and an FSA through SelectAccount, money will be withdrawn from both accounts to pay for your claims. If you want to save the money in your VEBA account, be sure to request a "block" on your account. Keep reading to learn more.



VEBA advice

If you have crossover, the only time you should submit a paper claim is for services that are not covered by your health plan or when you receive care from an out-of-network provider who will not submit the claim for you.

Do not submit medical expenses manually if the provider submits them to Blue Cross on your behalf. If you submit paper claims for covered health plan services or in-network providers, this may result in double payments being withdrawn from your accounts.

reimbursement feature, Blue Cross will send that claim to SelectAccount for reimbursement to you. If you have not signed up for the automatic reimbursement feature, you are responsible for submitting the reimbursement request. If SelectAccount is not the administrator of your FSA, the automatic reimbursement feature will apply only to your VEBA account. You can find claim forms (which will trigger reimbursement from your account) online at www.selectaccount.com.

Once SelectAccount receives the request for reimbursement, they will access your FSA first in an attempt to reimburse you. If there is enough money in your FSA to cover the expense, you will be reimbursed and the transaction will be complete. If there is not enough money in your FSA to reimburse the entire expense, SelectAccount will then access your VEBA account to complete the reimbursement. While this order of payment applies for the majority of VEBA Plan members, your employer ultimately chooses the order in which your accounts are accessed. Please check your Summary Plan Description or contract to make sure this order of payment applies to your accounts.

Blocking your VEBA account

One of the biggest advantages of your VEBA Plan is the ability to use your VEBA account as a savings tool. Your unused VEBA dollars accumulate from year to year and can be used to pay for eligible medical expenses now, or in retirement. If this is how you intend to use your VEBA account, then you will want to place a “block” on your VEBA account so that SelectAccount does not access that account when trying to reimburse you for your share of medical expenses.

When reimbursing you for medical expenses, SelectAccount will automatically withdraw money from both your FSA and your VEBA account unless you place a block on your VEBA account. Placing a block on your VEBA account is the only way to protect those funds, should you want to use your account as a savings tool.

There are a couple things to remember when blocking your account:

- You can request a block on your VEBA by using the VEBA Account Access Form found online at www.selectaccount.com.
- Once you block your VEBA account, it's always blocked, until you request that the block be removed. You will need to complete the VEBA Account Access Form to remove the block.
- Blocking your VEBA account can cause you to receive notice from SelectAccount that a claim could not be paid from your VEBA account. This simply means that your VEBA account could not pay the claim because you have blocked the funds. It does not mean that Blue Cross — your health plan — has rejected the claim.
- As the year progresses, if you decide you want to use the money in your VEBA account to pay for claims, you can easily turn off the block by completing the VEBA Account Access Form.

<h2>How it works</h2> <p>Here's an example of how your claims are paid when you have crossover.</p>	<h2>How it works</h2> <p>Here's an example of how your claims are paid without crossover.</p>
<p>Step 1 You cut your hand doing yard work and need to visit the doctor, who examines the wound and applies a few stitches.</p>	<p>Step 1 You cut your hand doing yard work and need to visit the doctor, who examines the wound and applies a few stitches.</p>
<p>Step 2 Your doctor submits the claim to Blue Cross on your behalf.</p>	<p>Step 2 Your doctor submits the claim to Blue Cross on your behalf.</p>
<p>Step 3 Blue Cross pays the portion of the claim that's covered by your company's health plan.</p>	<p>Step 3 Blue Cross pays the portion of the claim that's covered by your company's health plan.</p>
<p>Step 4 You receive an Explanation of Benefits (EOB) from Blue Cross stating what has been paid by your health plan and any amount that you owe.</p>	<p>Step 4 You receive an Explanation of Benefits (EOB) from Blue Cross stating what has been paid by your health plan and any amount that you owe.</p>
<p>Step 5 Blue Cross informs SelectAccount of your payment responsibility on this claim.</p>	<p>Step 5 You submit a claim to SelectAccount for payment out of your VEBA account and/or FSA. You can find claim forms online at www.selectaccount.com.</p>
<p>Step 6 If you have an FSA along with your VEBA account, your claims will be sent first to your FSA. If needed (if there isn't enough money in your FSA to cover the entire expense), the remaining claim is sent to your VEBA account so that you can be reimbursed to the extent that funds are available. If there's enough money in your FSA or VEBA account to cover the expense and if it's an eligible expense under Section 213(d) of the IRS Code, SelectAccount will withdraw the funds and send you a check or deposit the money into your checking or savings account.*</p>	<p>Step 6 If you have an FSA along with your VEBA account, your claims will be sent first to your FSA. If needed (if there isn't enough money in your FSA to cover the entire expense), the remaining claim is sent to your VEBA account so that you can be reimbursed to the extent that funds are available. If there's enough money in your FSA or VEBA account to cover the expense and if it's an eligible expense under Section 213(d) of the IRS Code, SelectAccount will withdraw the funds and send you a check or deposit the money into your checking or savings account.*</p>
<p>Step 7 You'll receive a Payment Activity Report that details your VEBA account and FSA activity.</p>	<p>Step 7 You'll receive a Payment Activity Report that details your VEBA account and FSA activity.</p>
<p>If the claim cannot be paid in full from your VEBA account, the claim will be set aside for up to 12 months, and you will be reimbursed as additional contributions are made to your account.</p>	

*** If you have an FSA and a VEBA account, SelectAccount will access money from both accounts to reimburse you for your claims, unless you place a block on your VEBA account. Your employer determines which account pays first.**

Do you have other insurance?

If you or your spouse has other health insurance, you cannot elect crossover, as this can lead to claims being paid incorrectly as benefits are coordinated between the two health plans. This includes Medicare coverage.

VEBA Tip

You can avoid trips to the bank by choosing electronic funds transfer. This feature allows SelectAccount to deposit your reimbursement checks directly into your checking or savings account.



How crossover works

Crossover or automatic claims reimbursement, is a feature that you elect, or choose, as a participant of the VEBA Plan. Crossover creates an electronic connection between your health plan and your financial accounts that are administered through SelectAccount, like your VEBA account or FSA. This connection allows Blue Cross to electronically submit claims to your accounts for reimbursement to you. SelectAccount will first access your FSA then your VEBA account when reimbursing you for your share of expenses.

When should you choose crossover? If you want greater convenience from your health plan. Here are a few of the ways that crossover can create a more convenient, hands-free experience for you.

- No claim forms to complete, except for expenses that are not eligible under your health plan or that weren't submitted to your health plan by your care provider. You may also have to complete a claim form if you see an out-of-network doctor. Check with your provider when you receive care.
- Faster reimbursement time, as SelectAccount automatically receives the reimbursement request from Blue Cross as your claim is processed against your health plan.
- No more running to the bank to deposit small checks when you also sign up for electronic funds transfer with your bank.

Electing crossover is easy. Simply complete the form called Authorization for Automatic Crossover of Health Care Expenses. This can be found online at www.selectaccount.com. You can elect crossover at any time — the decision is yours. However, you do have to make a decision, as you will not be automatically enrolled in crossover when you become a VEBA participant. If you sign up for crossover, your enrollment in this feature is good as long as you participate in the VEBA Plan; you do not need to re-enroll every year. Please note, you cannot sign up for crossover if you're also covered under another health plan.

Getting started

To use any of the features that are described in this brochure, you'll need to complete one of the following forms. All forms can be found online at www.selectaccount.com:

- Blocking or unblocking your VEBA account — VEBA Account Access Form
- Signing up for crossover — Authorization for Automatic Crossover of Health Care Expenses
- Electronic funds transfer from your accounts to your checking or savings account — Authorization for Direct Deposit

Questions?

If you have questions about how your claims are processed, how to block your account, or how crossover works, call your Minnesota Service Cooperatives representative or your Human Resources representative.