

getMORnews

provided by the FlexMor Corporation

SPRING 2006

FEATURES

PARTNERS | Creating the health plan we all really want

SUMMARY | Take consumerism to a new level

COMMENTS | Here what some of our customers are saying about this revolutionary plan

Introducing... ThegetMORplan What is it and why is it so much more?

What is ThegetMORplan?

It is a health reimbursement arrangement that allows both employers and employees to get more for their benefit dollar by using a careful combination of tax advantaged qualified plans AND redesigning a health plan component that balances economic value and choice.

Is ThegetMORplan a CDHP?

Current definitions say a consumer directed health plan (CDHP) contains two parts – a high deductible health plan and some form of health savings account (HSA) or health reimbursement arrangement (HRA). So yes, in the big picture this hybrid plan operates as a vehicle for employees to become more engaged in their health care buying decisions. Because untaxed money is placed every pay day on a VISA debit card for employees by their employer, employees experience a real benefit whether they are spending or saving their getMOR dollars. They can provide care for today and tomorrow and as such are happy to be the consumers they are in every other facet of their lives.

So is it a health plan?

No, it is an enhancement to the health plan you currently have or the plan you reconfigure to support the economics of this model, most often a higher deductible health plan. An

employer does not have to provide health insurance as a requirement. The employer exercises complete control over its health care purchasing, carrier, design, cost, etc.

What can employees spend their dollars on?

All Section 213(d) expenses qualify, including deductibles, prescriptions, dental, vision, AND wellness/preventative out-of-pocket expenses. In other words it is a safety net that, unlike health insurance alone, provides incentive to get/stay healthy, since those dollars have real growing value.

What distinguishes it from other plans, such as HSA's, HRA's and flexible spending accounts?

Overall, the Plan provides greater latitude for how and when dollars are spent. It allows dollars to roll into future years unlike flexible spending accounts which still are bound by "use it or lose it" provisions. It is not restricted by the type of health plan which may or may not accompany it, as all HSA's do. And unlike most HRA's it allows participants to receive dollars as a real form of

>> Continued on **page 2**



It allows dollars to roll into future years unlike flexible spending accounts which still are bound by "use it or lose it" provisions.

FlexMor Corporation specializes in working with employers to get more out of their workforce by giving more. Simple and affordable offerings coupled with effective communication-based services greatly enhance employee satisfaction and retention. FlexMor offers: the new health care equation, ThegetMORplan, traditional flexible and voluntary benefit programs in a revitalized way. FlexMor's unique benefit communication services ensure optimum employee understanding and enrollment. For more information call **888-FLEXMOR** or **414-483-9910**.

Introducing

>> Continued from **cover page**

paycheck to paycheck compensation to provide an asset for today as well as tomorrow. Most HRA's operate as notional accounts where the dollars are limited in availability until expenses are incurred (most often only expenses that satisfy deductibles are eligible.)

What is the employer advantage?

In addition to its obvious tax advantages, it converts your health plan (you know, the one that's costing more to provide less each year as you renew) into one with much greater value to you and most of all, your employees. It allows your employees to leverage the healthy years and to provide an effective safety net that actually grows stronger and more valuable (as funds accumulate over time). Therein lies its greatest strength, the ability to attract and to retain

employees because they enjoy a safety net at your company that your competitor most likely does not offer.

Why do employees love this approach?

Because they are in control, choosing to spend health care dollars in the ways that matter to them – some years it's dental, others it's their prescription burden. For others it's vision or for families concerned with wellness, it's a new resource. Most employees do not meet their deductibles in a given year (usually 80% do not) so the flexibility provided with this Plan and the ability to leverage and roll forward any unused dollars provides more choice, control, and value – an attractive feature everyone can benefit from. Which of us is not looking to get more? Employees repeatedly demonstrate their ability to make great buying decisions when they can financially benefit by doing so.

Can I customize this program for certain employee groups, such as salaried, union, executives, etc.?

You have great liberty in individualizing the Plan by specific employee classifications. You also can offer it as your only health benefit choice or as an alternate to your standard options. Obviously, the greater participation in the Plan creates greater financial relief to you as an employer.

For more information,
call FlexMor at 888-FLEXMOR or
visit www.flexmor.com

VEBA Adding Value For the Future to ThegetMORplan

ThegetMORplan takes consumerism to a new level by incorporating the advantages of a VEBA trust with an HRA. VEBA stands for a Voluntary Employee Benefit Association which has been in existence since 1928.

This tax-exempt trust is used in conjunction with the Health Reimbursement Arrangement to provide the employer with the best options for both immediate cost containment and a long term change in employee behavior which is essential to stabilizing health care costs.

The VEBA allows the employer to fund dollars to an HRA account that the employee can use to bridge the future into consumerism by providing a safety net for today and tomorrow. A portion of the dollars are liquid and available for the employee to use for emergency/immediate costs in the short run. The employee can also leverage their healthy years against the future because any of the unused dollars role over from year to year.

The use of the VEBA solves one of the typical employee dislikes of the HRA by giving the control of the dollars to the employee. The employee can actually self-direct the dollars and grow them tax-free in a professionally managed account. The VEBA also protects the dollars from creditors and insures that the money that is set aside will always be secure and protected for the employee to use on qualified health care related expenses. This opens the door for the employee to start accumulating the equivalent of a medical IRA to help prepare for the inevitable cost of post retirement health care.

We are convinced by the response of both employers and their employees that the VEBA and HRA that we call ThegetMORplan allows both parties the ability to come together as a team to solve what has become the single largest concern to both the employer and employee. It is an opportunity for everyone to win by providing security for the future of health care and stabilizing today's costs.

It is an opportunity for everyone to win by providing security for the future of health care and stabilizing today's costs.

CREATING THE HEALTH PLAN WE ALL REALLY WANT

Our Product | Our Process | Our Partners

FlexMor Corporation is one of the creators/architects of an innovative health reimbursement plan, called *thegetMORplan*.

Nearly two years ago, a tax strategy firm, Benefits Management Consulting (BMC), in Lafayette, Indiana reached out to us regarding a new flexible benefit plan they had been designing and beginning to market. They wanted our assistance in refining the plan, which by now, they were realizing was highly attractive to employers because of its powerful tax and economic benefits. They were also realizing how hesitant and unsure employers were to deliver such a “change” into their employees lives. Could employees really embrace this program and how and who would help them “get it?”

Because of FlexMor’s unique niche in communication of flexible benefit plans and our track record of high participation and satisfaction in such plans, BMC and it’s principals, Matt Skiles and Michael Maule, seemed certain we could help. I was not so certain. If even I, as a “supposed expert” in this area, was still confused about the

I shared that equation and our central message with BMC; as well as our diverse circle of clients throughout Wisconsin seeking “more” for their healthcare dollar and “more” for their employee’s safety nets. In sharing their careful combination of tax law, benefit strategy, and economic modeling, we began the journey to design the elements of the plan.

We reworked the engineering of the plan and created new and compelling economics for both employees and employers. We crafted new applications and a variety of strategies to suit both large and small employers, staying true to the legal and economic fundamentals of the plan. We fashioned a plan aimed at “wowing” employees. As its beauty unfolded, we became wide-eyed and said now there’s a “get more plan!” Hence its name... its message... and the many outcomes!

To date, FlexMor has introduced the Plan to our long term clients from 3 to 5,000+ employees across Wisconsin. We have created numerous satisfied clients together with our beloved partners at

We fashioned a plan aimed at “wowing” employees. As its beauty unfolded, we became wide-eyed and said now there’s a “get more plan!” Hence its name... its message... and the many outcomes!

what and how of the plan, how could I help? Much less convey it to employees? I agreed to work at first understanding it and only after that process was complete, would I dare to commit a message to it.

I struggled to understand the mechanics of the plan, then, to recognize the economics which were clearly compelling for employers, but failed to see how most employees would embrace this tax advantaged plan. The economic equation wasn’t balanced correctly and therein lied the communication hurdle. For nine years FlexMor’s mantra has been “When you flex more, you get more.” It is the central truth of the equation we bring to our clients and their employees. If you will, all benefits must pass the “litmus test”, with that equation balanced. It must represent value and choice to both the company and the employee. We cannot disguise or cover-up that truth. Very simply, either it is win-win or our message is invalid.

BMC, who are as committed as we, to extraordinary customer service and employee satisfaction. They are helping us every day to design and administer a program like no other. We are their proud associates and together we are seeking enhancements to the *ThegetMORplan* model of care and ways of connecting employers and employees through stronger safety nets. Together, we are launching a campaign to change health plans by helping employers spend differently to get more. If your company is tired of spending more and getting less, we would welcome the opportunity to model a new equation for you. Your employees will thank you for it!

Nancy Melcher
President
FlexMor Corporation
Spring 2006

WHAT OUR CUSTOMERS ARE SAYING!

“This is the best thing this company has done in the last 10 years.”

“(Meetings) went very well. I wish we would have had this five years ago. The money I would have saved up! I haven’t used my insurance in the past five years except for yearly exams which are covered 100% by the health plan! I’m very excited about ThegetMORplan.”

“Anytime my employer gives me money, especially tax free money, that is a good thing. I like the fact that I can use the money for things the insurance doesn’t cover like chiropractic services and my YMCA membership.”

“After having been at this company for 17 years, I can remember only one year that I met my deductible. That year the insurance company paid their portion of my medical bills saving me thousands of dollars. For that one year my old policy was a benefit to my family. However; for sixteen years I paid thousands, probably tens of thousands, of dollars for a benefit I never used. With ThegetMORplan I can now leverage all of those healthy years and use them to offset any out of pocket expenses. This plan provides real value if I am well and also cares for me when I’m sick.”

“I have type II diabetes. I have never had a health plan that covered all of my supplies and medications which are often over a hundred dollars per month. Now I have money to cover all those expenses. ThegetMORplan is great, thank you.”

“I have used my card in the past few weeks for glasses and contacts, and I was very pleased with how the card worked and the processing of transactions.”

“I feel you and your team does such a great job and is extremely responsive.”

“Loved the plan and how it was presented! Having the ability to rollover the money from year to year is phenomenal! Both my wife and I are going to benefit from this! She needs a colonoscopy every three years because of medical history (8 family members have died from colon cancer). We have never had the money to cover our share of the cost such as deductible and co-insurance before. Now we have a vehicle where we can allow funds to rollover so that every three years, the money is available on our card to cover that. This plan is head and shoulders above any plan we have ever been on, I just wonder why a plan like this couldn’t have been discovered a long time ago!”

“This plan makes a lot of sense. Health benefits are a big part of why I work here. Now I can store up the benefits and have the money when I need it. For the first time there is value for the healthy as well as those with illness.”

“The one page summary they use for the employees makes it completely understandable.”

“This plan makes a lot of sense. Health benefits are a big part of why I work here. Now I can store up the benefits and have the money when I need it. For the first time there is value for the healthy as well as those with illness.”

Contact FlexMor anytime at: 414-483-9910 • Toll Free: 888-FLEXMOR • www.flexmor.com • E-Mail: mail@flexmor.com

ThegetMORplan

307 West Layton Avenue
Milwaukee, WI 53207