UnitedHealthcare Benefit Services
COBRA, Flexible Spending Account and Pre-Tax Premium Plan Administration

No additional fee services available for customers with 20-100 eligible employees

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United Healthcare

Simplified Benefit Administration

Save money and lighten your administrative responsibilities by offering COBRA, Flexible Spending Accounts, and Pre-Tax Premium plans through UnitedHealthcare Benefit Services. These services are available at no additional cost to you when you purchase medical, dental or vision coverage through UnitedHealthcare.

Adding these plans to your benefit programs will enable you to reduce payroll-related taxes and increase employee satisfaction. And, all you need to do is enroll in these programs and UnitedHealthcare Benefit Services will provide all the support you need, including templates and tools to help you effectively communicate with your employees.

COBRA Administration

COBRA, or the Consolidated Omnibus Budget Reconciliation Act of 1985, enables employees and dependents who no longer qualify under an employer-provided group benefit plan to continue insurance under the group benefit plan.

Generally speaking, if you offer a group health plan and had 20 or more employees on at least half of the business days in the prior calendar year, you must comply with COBRA. COBRA applies to group health, dental and vision plans as well as retiree health plans, medical flexible spending accounts, medical reimbursement plans, health reimbursement arrangements, and some employee assistance plans.

Qualified beneficiaries must be offered the opportunity to continue the same type of coverage as they had with their group plan when certain “qualifying events” occur. COBRA notices must be provided to each beneficiary when coverage is first obtained, and when a qualifying event occurs and benefit coverage is lost.

COBRA Services

When you have a UnitedHealthcare medical, dental or vision plan you get streamlined COBRA administration at no cost for all your eligible plans – even those with other vendors, e.g., dental with another. We will service all your COBRA needs with assured compliance and efficient record-keeping.

When a qualifying event occurs, you simply notify UnitedHealthcare online and we do the rest. Our COBRA administration and processing includes:

- **Employee Support:** Mailing of qualifying: event notices with proof of mailing, written communication and reminders regarding account status (eligibility for COBRA disability extension)

- **Employer Support:** Process COBRA billing takeovers once entered on the COBRA website, uhcservices.com, provide COBRA eligibility updates directly with the carrier(s), process qualifying event notices once entered on the COBRA website, provide monthly COBRA payment disbursements along with reports, provide online access to the COBRA website, and send proactive reminders for annual plan/rate renewal.

What’s in it for clients and employees:

COBRA administration can be ongoing and complex, but all you need to do is activate our COBRA program, notify us when a qualifying event occurs and we handle all of the administrative work to ensure that your plan complies with COBRA requirements, all at no additional cost to you.

For more information regarding these services, please contact your UnitedHealthcare representative

UnitedHealthcare’s COBRA administration services for medical, dental, vision and retiree plans are also available on a fee basis to customers who do not purchase medical coverage through UnitedHealthcare with 20+ eligible employees.

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Flexible SpendingAccounts (FSAs)

Flexible spending accounts (FSAs), can help your employees save on out-of-pocket expenses not covered under most benefit plans. These expenses include deductibles, coinsurance, copays, prescription drugs, eyeglasses, day care services.

When you add an FSA plan to your existing benefit package, your employees will be able to set aside portions of their salaries before taxes are calculated. This reduces employees' taxable income, meaning they will pay less in taxes and end up with more money in their pockets. The money set aside is automatically deducted from their paychecks and credited to their flexible spending accounts. As employees incur qualified expenses, they simply submit them to UnitedHealthcare Benefit Services and reimbursements are made from the plan.

FSA Services

Our comprehensive FSA services enable you to quickly implement an FSA plan and leave the administrative work to us.

Plan design services:

- Plan Document, Adoption Resolution and Summary PlanDescription
- Easy-to-understand instructions for using these materials

Choice of claims process and reimbursement options:

- Online submission
- Debit card offering
- Direct deposit or mailed check

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- Debit card offering
- Direct deposit or mailed check

FSA account types available:

- Medical reimbursement account
- Daycare reimbursement account

Online support:

- Employer portal
- Member portal

What's in it for clients and employees:

As with a Pre-Tax Premium plan, any client can implement an FSA and save money. How much you save depends on your payroll and how much your employees contribute toward their benefits.

For more information regarding these services, please contact your UnitedHealthcare representative.

*Available as a No Fee services for groups 2-100 with some state exceptions.

*UnitedHealthcare's COBRA administration services for medical, dental, vision and retiree plans are also available on a fee basis to customers who do not purchase medical coverage through UnitedHealthcare with 20+ eligible employees.

*The legal entity under which the company operates can affect individual eligibility. Partners in a partnership or limited liability partnership, members (and spouse of a member) of a limited liability corporation, self-employed individual of a sole proprietorship, and more than 2% shareholders (and family members of shareholders) in a Subchapter S corporation are not eligible to participate in a Section 125 plan.

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Pre-Tax Premium plan

You and your employees can take advantage of a valuable tax reduction through a Pre-Tax Premium plan. The Pre-Tax Premium portion of Section 125 of the Internal Revenue Code allows for the payment of employer sponsored insurance premiums on a pre-tax basis, resulting in savings to both the employer and their employees.

The allowable employer-sponsored insurance plans that can be paid for on a completely non-taxable basis are the portion of the premium being paid by the employee.
Plans that qualify under Section 125 are:

- Health
- Health Savings Account (HSA)
- Dental
- Vision
- Disability
- Accident
- Cancer
- Intensive care
- Group term life insurance for the employee (up to $50,000 worth of death benefit coverage)

Here's how you save

Under Section 125 employee pre-tax premium contributions are not considered taxable income.

As a result, your total taxable payroll is reduced, directly lowering your payroll-related taxes. Because your employees have reduced their taxable income, they pay less in federal, state, Social Security and Medicare taxes and they can actually increase their take-home pay.

Pre-Tax Premium Plan Services

You don't need to worry about handling the administrative aspects of a Pre-Tax Premium plan, UnitedHealthcare Benefit Services will handle it for you and we will provide you with the necessary legal documents and filings required under Section 125. The following services are included in our Pre-Tax Premium plan.

- Services includes: Plan Document, Adoption Resolution and Summary Plan Description, employer guide, including easy-to-understand directions for using these materials

What's in it for clients and employees:

It's easy to implement a Pre-Tax Premium plan and save money. How much you save depends on your payroll and how much your employees contribute toward their benefits.

For more information regarding these services, please contact your UnitedHealthcare representative.

*Available as a No Fee services for groups 2-100 with some state exceptions.

Note: The legal entity under which the company operates can affect individual eligibility. Partners in a partnership or limited liability partnership, members (and spouse of a member) of a limited liability corporation, self-employed individual of a sole proprietorship, and more than 2% shareholders (and family members of shareholders) in a Subchapter S corporation are not eligible to participate in a Section 125 plan.

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