

The Administrators, Inc. Bene*fits*

Insurance products to fit your needs & budget

June 2004

Health Savings Accounts

We are receiving many inquiries from our non-group subscribers about Health Savings Accounts (HSA). Briefly these are accounts now allowed by the government as a means of letting individuals make medical expenditures using pre-tax dollars. The individual gets a tax-advantage while becoming more aware of, and involved with healthcare expense decisions.

The HSA allows individuals to pay for qualified medical expenses with pre-tax dollars when they are covered by a high-deductible health insurance plan. A high-deductible plan is defined as one that has a minimum deductible of \$1,000 for an individual and \$2,000 for a family. (Only expenses incurred within network can qualify toward the deductible.)

Contributions to a plan may be made up to the amount of the deductible with maximums of \$2,600 for an individual and \$5,150 for a family. Individuals 55 to 64 years of age are allowed catch-up contributions of \$500 in 2004, with \$100 increments added each year until 2009. The employee, employer and/or family member may also make contributions.

Decisions about HSA accounts must take into consideration other factors which can be best explained by our Sales Department. For information about HSA's available to you and your business call TAI at 800-634-4428.

What HSA's Cover

Funds can be used to cover health insurance deductibles and co-payments for medical services, prescriptions or products.

HSA's can also be used to purchase over-the-counter drugs, long-term care insurance and to pay for health insurance premiums during any period of unemployment.

Welcome to *BeneFits*

BeneFits is TAI's report for you. Each issue will provide you with information on accessing your benefits, cost saving tips, new products, and ideas on how to keep your business healthy. Our contact information is also included so your benefit questions and needs can be met by our knowledgeable specialists.

Beware the Summer Scams... The Grass Is Not Always Greener

Once again as we approach the summer months, consumers begin getting barraged by calls and visits from agents trying to get their health insurance business. Beware of some of the misleading approaches taken by:

- Agents who ask for an authorization to check rates on your behalf. The agent says it's just a formality. It actually means a great deal. Many agents will not disclose that insurance companies tend to take your authorization as an "intent" to transfer your business. If you decide not go with that agent you then have to undo the request yourself.
- Agents who may not disclose that the rate they offer, which looks better, is in actuality merely on a different cycle. The rate will increase at a different date than your current rate - and perhaps be higher sooner. Many insurers will disallow this practice known as "rate opting."
- Agents who tell you about their operations staff. Be sure you ask to see them. Ask for assurance that you are seeing the agent's staff and not a third party. Most agents never deal with the insurance carrier but with a larger broker. Will the service you receive suffer?
- Agents who show you a new insurance carrier with "dirt cheap rates." Ask for a comparison of the allowances granted by that carrier as opposed to your carrier. A less expensive policy means nothing if you pay more for every procedure and service because the new carrier does not have the buying power of your current carrier.

Check Your Credit Report Each Year

Approximately 85% of ID Theft victims found out about the crime due to an adverse situation - denied credit or employment, notification by police or collection agencies, receipt of credit card bills never ordered, etc.

Building a Healthy Business

Voice Mail Fraud - Beware

If you don't change the default password on your voice mailbox, you, or your company, could be in for a big - and expensive - surprise. The Federal Communications Commission (FCC) has become aware of a new form of fraud that allows hackers to use a consumer's or business's voice mail system and the default password to make collect calls without the knowledge or permission of the consumer.

The Scam Works Like This

A hacker calls into a voice mail system and searches for voice mailboxes that still have the default passwords active or have passwords with easily-guessed combinations, like 1-2-3-4. (Hackers know common default passwords and are able to try out the common ones until they can break into the phone system.) The hacker then uses the password to access the phone system and to make international calls.

The hacker does this by first changing the voice mailbox's outgoing greeting to something like "Yes, yes, yes, yes, operator, I will accept the charges." Then, the hacker places a collect call to the number they've just hacked. When the (automated) operator (which is usually programmed to "listen for" key words and phrases like "yes" or "I will accept the charges") hears the outgoing "yes, yes, yes, yes, operator, I will accept the charges" message, the collect call is connected. The hacker then uses this connection for long periods of time to make other international calls.

If you feel that you have been a victim of Voice Mail Fraud you are encouraged to file a written informal complaint with the Federal Communications Commission (FCC). There is no charge for this. They may be accessed at www.fcc.gov.

Source: Federal Communications Commission

Your Household's Health


Identity Theft

Identity theft occurs when a crook steals key pieces of information, which may include a name, address, date of birth, Social Security number, and mother's maiden name, to gain access to a person's financial accounts. Armed with this information, an identity thief may open new credit or financial accounts, buy cars, apply for loans or Social Security benefits, rent an apartment, or set up utility and phone services - in someone else's name.

Add these tips to your "must do" list to protect your identity:

1. Don't leave mail in your mailbox overnight or on weekends.
2. Deposit mail in U.S. Postal Service collection boxes only.
3. Tear up or shred unwanted documents that contain personal information.
4. Review your consumer report annually.
5. Sign your new credit cards - before someone else does.
6. Memorize your Social Security number and passwords; don't carry them with you. Don't use your date of birth as your password.

Source: United States Postal Service


AI:new9(before outlines).en

Fax It

867 Sussex Boulevard, P.O. Box 800
Broomall, PA 19008
800-634-4428 Phone
www.tai-pa.com Website
clientassist@snip.net E-mail

Interested in receiving info on our insurance products?*

<input type="checkbox"/> Accident	<input type="checkbox"/> Health
<input type="checkbox"/> Cancer	<input type="checkbox"/> Health Savings Account
<input type="checkbox"/> Dental	<input type="checkbox"/> Life
<input type="checkbox"/> Disability	<input type="checkbox"/> Long Term Care
<input type="checkbox"/> Employee Assistance Plan	<input type="checkbox"/> Vision
	<input type="checkbox"/> Workers' Comp

Fax your info to 610-604-4922:

Name _____

Business Name _____

Business Address _____

*Not all products are association endorsed.