
TPA Transition

New VEBA Trust Third-party Administrator

Presented by:



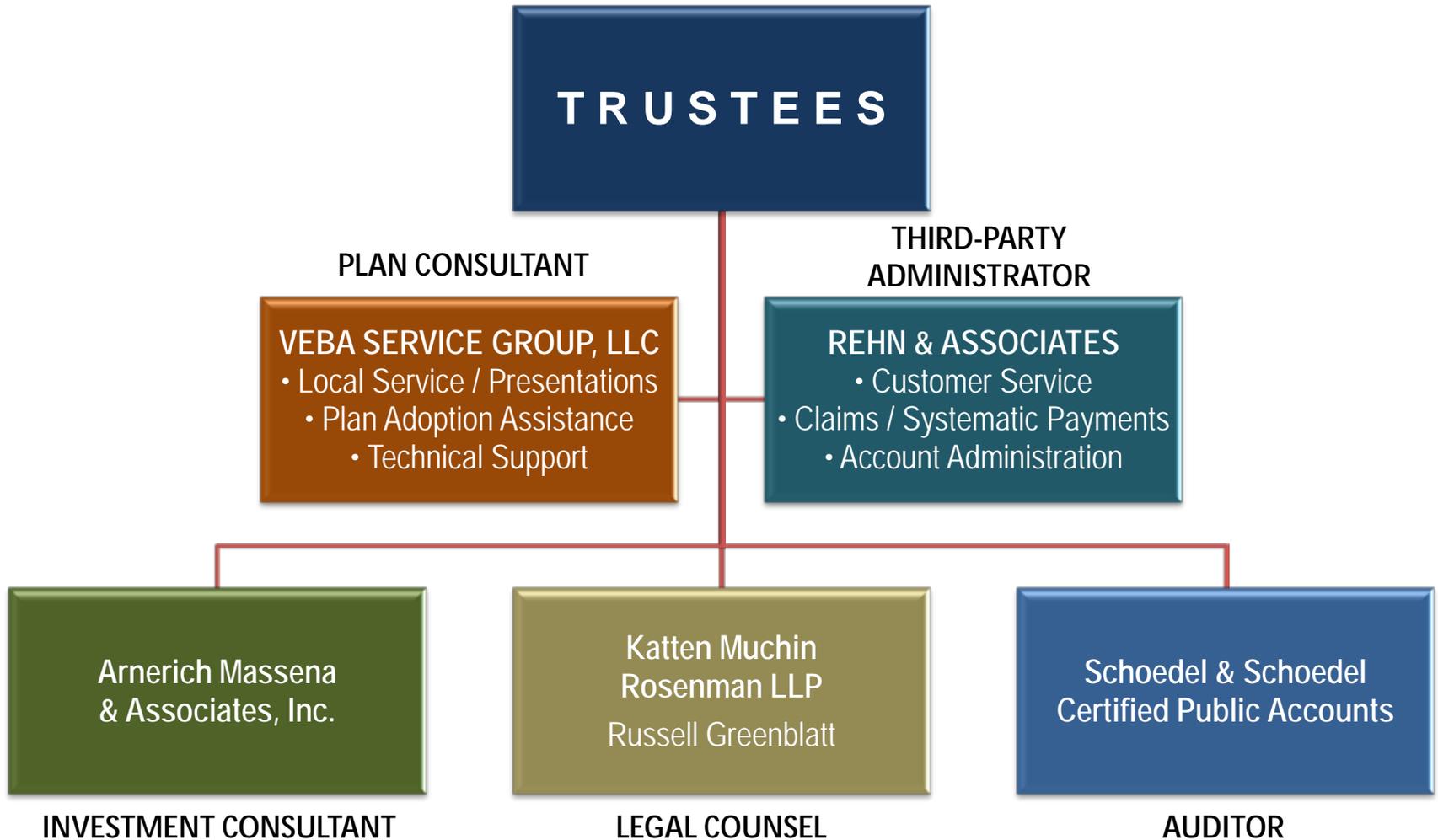
Key topics

- **About VEBA Trust**
 - Current snapshot
 - 2008 highlights
 - Service providers
- **TPA transition**
 - Enhanced services
 - Upcoming changes
- **VEBA MEP overview**
 - Funding source
 - Adoption/enrollment guidelines
 - Online VEBA Employer Handbook

- \$131 million in assets
- 35,000+ participants
- 400+ employers
 - 80+ state agencies and higher education institutions
 - 290 school districts and educational service districts
 - 32 community and technical colleges

- VEBA Trust remains strong
 - Received \$32 million in contributions
 - Paid \$24 million in benefits
 - Served 35,000 participants and their families

Current service providers



Third-party administrator transition

- July 1, 2009
- Meritain Health
 - 30+ years of experience
 - 123,000 HRA, FSA, HSA accounts
 - Minneapolis service center

Enhanced services

EMPLOYERS (state agencies)

- New online employer portal
 - Available mid-July via veba.org
 - View posted contributions
 - View and print employer reports
- Dedicated e-mail for employer inquiries
 - employersupport@meritain.com

Enhanced services

PARTICIPANTS

- Daily account valuations
- More user-friendly online access
 - Track status of claims in progress
 - View claims history and EOBs
 - Update account preferences, investment allocations, address, etc.

What is not changing?

- Your internal procedures
 - Provide contribution data to DOP
 - Provide contribution amounts to OFM
- DOP will continue to post contribution data online for TPA access
- OFM will continue to remit contributions electronically

What is changing?

- TPA contact information

VEBA Plan Third-party Administrator

Meritain Health | PO Box 27810 | Minneapolis, MN 55427-0810

General inquiries

1-888-828-4953

employersupport@meritain.com

Submit forms, etc.

fax (763) 582-3471

participantdata@meritain.com

- Plan literature and forms

– Available online at veba.org by July 1, 2009

What is changing?

- Employer (state agency) ID numbers
 - Include new employer ID number on all correspondence
- Participant account numbers
 - Participants may still use their old account number or SSN when contacting Meritain

What is changing?

- Systematic payments
 - For ongoing premium reimbursements only
 - Current payments to providers and HCA will continue

Systematic premium reimbursements



Effective July 1, 2009:

- Systematic Payment Form becomes Systematic Premium Reimbursement Form
- Systematic payments issued to participants for qualified premium reimbursements only
- No direct payments to insurance companies or providers

What should you do now?

- Read and share transition materials with appropriate personnel
- Use current enrollment kits and forms until updated materials are available
- Discard outdated material after new versions become available
- Update your system/files with new TPA contact information

Funding source

Compensable unused sick leave cash-out contributions at retirement

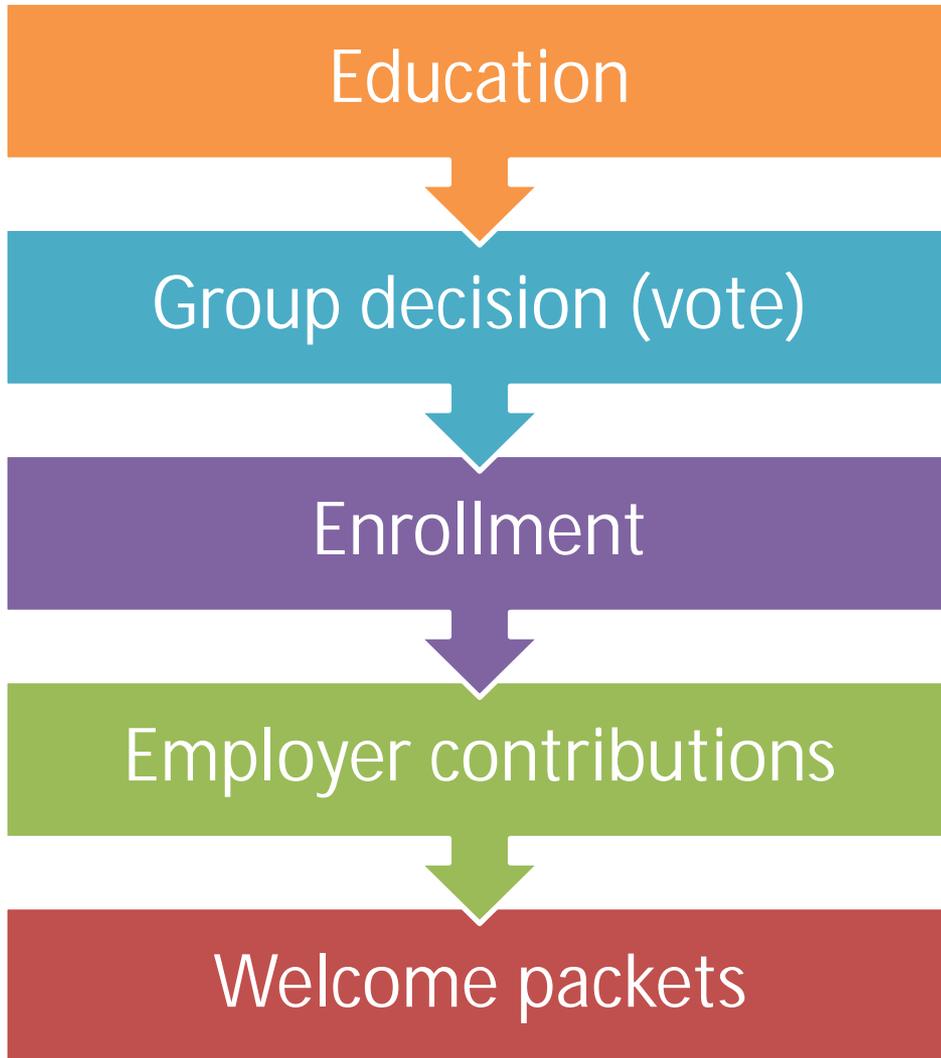
No individual choice; all employee group members defined as eligible must participate per IRS rules.



No tax reporting!

- Tax reporting not required by employer or participant
 - Do not include on Form W-2
 - No Form 1099 on earnings or withdrawals (claims)
 - No Form 1040 personal tax return reporting
 - No employer tax reporting
- Trust conducts annual audit and files Form 990

Typical enrollment process



Small group guidance

- Avoid less than five voting members
- Contact DOP with questions regarding the “small agency voting pool”

VEBA Employer Handbook

- Accessible online at veba.org
- Step-by-step adoption/renewal process Section 2.1
- Sample language Sections 2.3 – 2.4
- Electronic remittance instructions Sections 4.3 – 4.4
- Applicable laws and rules Section 5
- Web login (will change mid-July)
 - Username: veba
 - Password: plan

Questions

