



# Benefit Administration Solutions



**AMERICAN BENEFITS GROUP**

*Empowering Technology. Exceptional Service.*

# Welcome

We've always recognized that in every successful business, people must come first.



*When you combine the most powerful technology with consistent high-touch concierge service, you get the best — you get American Benefits Group.*

At ABG we consistently focus on the unexpected. That's why we've never been afraid to reinvent ourselves. We're a company that embraces change — our success is the product of our talented employees taking big risks. For the last 30 years. Throughout our history, we have maintained our steadfast dedication to outstanding customer service and the values on which American Benefits Group was built: trust, security, integrity, quality, respect and a deep commitment to our employer clients and their participants. We're proud to be collaborators, problem solvers and risk-takers. No business challenge is too big, and no customer request too small. When you speak with our people — you experience their passion, curiosity and excitement about the work they get to do every single day.

Our talented team of people are our greatest asset, the secret of our organization's success. Every employee at ABG maintains a laser focus to exceed client expectations every day. We're proud to be on the leading edge of our industry today, and as we move into the future of Consumer Directed Health Care. Our core mission is to deliver our empowering technology solutions and exceptional service while building strong long term relationships with our clients, consultants and participants. Welcome to American Benefits Group.

Robert Cummings  
Managing Principal and CEO

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## Recognized innovators with creative solutions!

We provide a dynamically integrated participant and employer platform with the industry's leading multi-purse Smart Benefits Card. Our payment card connects to all ABG administered CDHC accounts (FSA, HRA, HSA and Commuter Benefits) offering maximum convenience and control for plan participants.

We also have the bandwidth, expertise and technology to support multiple accounts and complex plan designs that go well beyond the plain vanilla varieties typically offered by most administrators.

Whether it's an HSA/Limited Purpose FSA combination, an HSA/HRA stacked plan design, or a complex HRA reimbursement based on specific HDHP parameters, we have the solution.

Don't take our word for it. American Benefits Group is recognized as an industry innovator by the Institute for Healthcare Consumerism.



**We'll listen** carefully to your objectives, **advise you of your options** and administer the strategy that best meets your goals.

## Your participants will know our experts by name



Each one of our clients is supported by a dedicated service team of certified, highly experienced benefits administrators who strive to deliver excellent customer service in the most personalized way possible. And when you call, we answer the phone

All of our team members have obtained advanced certifications in both Cafeteria and COBRA Plan administration, and we maintain this dual TPA level certification through HR Certification.com.

- Seamless Integrated Solutions
- Online Client Portals
- Superb Service Delivery
- Always a personal touch

Your dedicated account services team manages all aspects of your plans from participant level support services to enrollments, communications, payment and claim processing.

In fact, every email allows participants to provide an instant review of our service - and we read every comment submitted. Most of them are five star reviews!

We'll **take care of your employees** as if they are **our own**.

## We add *FLEXIBILITY* to your employee benefits

We all know the cost of employee benefits continues to rise year-after-year. Our goal is to help you get the most out of your benefits budget. We can help you combine traditional insurance with health reimbursement plans to maximize the effectiveness of your benefits program.

We're a nationally recognized provider of innovative consumer solutions. Some of our plans – like flexible spending accounts, health reimbursement arrangements and health savings accounts – place tax-free dollars in employee's pockets for medical expenses. As an employer, you can even make contributions to an employee's HSA account or directly fund a health reimbursement account that is linked to your high-deductible insurance plan to help offset employee out-of-pocket costs.

We also have flexible tax-advantaged options to help employees pay for dependent care, parking and commuter expenses.

All of our plans work together with our Benefits Card to maximize their effectiveness and increase participation.



Let us help. **Our job** is to make **your job easier**.

## Tell Us Where it Hurts



Just trying to keep up with the changing regulations is enough to make your head spin. That's where we come in. Tell us your pain points and we we'll advise you on the right combination of products that are complementary to your overall benefits program.

## Save Time. Save Money.

We know you have a lot on your plate. That's why we've assembled a team of experts to help. Chances are your benefits budget is stretched more every year. You know something has to give. But what?

Employees are already bearing more of the cost of their healthcare as deductibles and out-of-pocket expenses increase. You need some creative solutions, but you may not be sure which options are best for your situation.



We'll help you find the **right combinations** to **unlock the potential** of your benefits program.



## ABG Smart Mobile

**Connect with us. Anywhere. Anytime.**  
**When you need us, we are here.**

Participants can interact with us 24/7 from virtually anywhere. We offer online and mobile portals, toll-free phone and fax, and a dynamic website with our on-demand forms library.

### Our Mobile App Connects Participants With The Details

Our mobile applications, available for both the Android and Apple operating systems, provide on-demand, on-the-go access to participants.

- Check balances anywhere, anytime
- View account activity for your accounts
- Drill into claims for HRA and FSA accounts
- Upload Documentation

Participants can a photo of their receipt and upload it to submit a claim. They can even take photos and upload statements or Explanation of Benefits (EOB) to substantiate transactions.



### It's Secure

No sensitive account information is stored on your mobile device and secure encryption is used to protect all transmissions.

*Check account balances anywhere, even in line at the pharmacy counter.*

## Smart Benefits Card

The introduction of benefit cards to reimbursement accounts has significantly increased participant convenience. Most transactions don't even require a receipt.

### Multiple Accounts on One Card

Our benefit card adds more ease-of-use by stacking multiple plans together on one card.

- Pay for eligible expenses at the point-of service
- No out-of-pocket cost
- Eliminates the need to submit claim forms

Participants use the card to pay for eligible expenses at valid locations. Our benefits card is linked to the sophisticated IIAS (Inventory Information Approval System) technology that separates eligible and ineligible items at the point-of-sale.

### Eliminate Most Receipts

In most cases, that means automatic debit-card substantiation. The card is linked directly to the participant's account for real-time updates of all transactions.

### Mobile Pay

Add your ABG Benefits Card to your mobile wallet for convenient payments at the point of sale.



Benefit cards increase participation. More participants mean **greater FICA tax savings** for the employer.

## One of the nation's fastest growing COBRA and Reimbursement Account Providers

American Benefits Group delivers innovative on-demand benefits administration solutions that combine empowering technology and exceptional customer service. Our solutions maximize value and create efficiencies for clients. Our services include a fully integrated and interactive CDHC platform for all pretax account based plans including:

- Flexible Spending Accounts (FSAs)
- Health Reimbursement Arrangements (HRAs)
  - Individual Coverage HRA (ICHRA)
  - Qualified Small Employer HRA (QSEHRA)
- Lifestyle Spending Accounts
- Health Savings Accounts (HSAs)
- Commuter Parking and Transit Accounts
- COBRA and Direct Premium Billing Administration Services

As a customer centric organization, we believe that responsive and high touch service delivery combined



## Convenient Technology Tools that Keep Your Data Safe and Secure

American Benefits Group views data privacy and information security as fundamental components of doing business. ABG works with our platform providers to offer a data security model that encompasses all aspects of our service, aligning with industry standards and updated regularly to ensure compliance.

We understand the importance of taking the appropriate steps to safeguard information and are committed to protecting our clients. Our security strategy is multi-faceted and multi-layered and employs the latest technologies.

For example, our COBRA and CDHC systems are hosted in a Tier 4 data center which is PCI compliant, SSAE 16 Type II reviewed and IBM and CISCO certified.

We employ daily third-party vulnerability scanning which tests for PCI and FBI/SANS compliance.

The server architecture utilizes multiple layers of firewalls and completely isolates database servers from the Internet.

Communications between online platforms and our users' browsers is encrypted using SSL. User passwords also are encrypted in our database. Each user of every type (administrator, employer, broker, participant) has a unique user name and password

ABG serves a broad base of employer **clients nationwide** from under **50 to over 15,000 participants** across all industries.



# Playing to Rave Reviews from Audiences Everywhere!

## Producers, Brokers and Consultants Agree

*I have known Bob Cummings and have done business with American Benefits Group since 2007 for the FSA/HRA/HSA and COBRA expertise. ABG has built an incredible service organization that delivers on their promises and are experts in all facets of these services.*

**Lou Nunes, Managing Principal**  
PPI Benefits Solutions, Middletown, CT

*American Benefits has proven to be an instrumental resource for our clients and has the ability to handle the varying degrees of complexity that come along with working in the large group space.*

**William P. Austin, Senior Director**  
NFP Corporate Services (NY), LLC, New York, NY

*American Benefits Group has exceeded the levels of service we expect out of an administrative service company. They do business just like we do, which always places the customer first above all else.*

**Marty Thompson, Principal/Consultant**  
STA Benefits, Odessa, TX

*Our clients will agree that having American Benefits administer their FSA, HRA and COBRA services was the right decision professionally and financially. The easy access to a service representative or a compliance expert makes them a number one choice.*

**Walter Chapman, President**  
Chapman and Chapman, Cleveland, OH

*The ABG team know their business and seek to create the best possible customer experience. In a world where client retention is based in part on the competency and professionalism of our partners, ABG has delivered for us.*

**Kevin L. Brown, Managing Director**  
Professional Benefits Solutions, Inc.

*Our firm engages many different vendors with extremely complex benefit plan strategies. None are better than American Benefits in providing best in class solutions and customer service. Our customers repeatedly mention how pleased they are with the products and services delivered by American Benefits.*

**Jonathan Mosse, Health and Welfare President**  
Mosse and Mosse Associates, Lynnfield, MA

*ABG has performed flawlessly ... you get exactly what you pay for with ABG ... superior implementation, better service and a happy client.*

**Aaron I. Smith, Principal**  
Mercer, New York, NY

*American Benefits Group has earned our endorsement as the preferred third-party administrator for all of our clients account based benefit plans and COBRA administration needs.*

**John M. Ryan, President**  
Baybenefits Insurance Services  
San Francisco

*If you are looking for a long-term partner for your client's specialty administration needs ABG is your answer.*

**Jack D. Rushing, Vice President**  
Meltzer Group Benefits, Bethesda, MD



## Consumers and Employers Give High Marks Too

*I got the answers to the questions I had very quickly. The representative I spoke to was very professional and helpful. Additionally, I didn't have to wait on hold at all.*

*The Claims support staff at American Benefits Group are not only extremely knowledgeable, but know how to deliver great customer service.*

*I needed new flex spending cards. I emailed our client rep and got a near immediate response that the cards were ordered. It's nice that AMBEN still believes in giving personal service.*

*I have worked with American Benefits Group for about 10 years, and they have provided excellent service. They are one of the only service providers that has remained a constant in our Benefits department over the years, and it is because of their excellent customer service. It often feels like we are their only client because of the dedicated service that they provide. I fully endorse them and would recommend them to any employer.*

**Vencore - Senior Benefits Manager**

*Overall I can only rate their service as excellent requiring very little maintenance and I would highly recommend it for implementation by other companies.*

**Ferrari/Maserati North America, Inc.**

*American Benefits Group is a valuable strategic partner and valued resource for Cantor Fitzgerald and its employees. As the TPA administrator of Cantor's FSA and Section 132 Parking and Transit benefits programs since 2005, we have found their service to be outstanding and their administrative execution is flawless ... I would not hesitate to recommend them to any employer.*

**Cantor Fitzgerald**

*It is refreshing to call and interact with your staff as many have had a long history of managing and servicing our account.*

**Florence Bank**

*Bob Cummings and his team have delivered everything expected and then some to make us feel that we made the absolute best decision for our clients and us. Their level of dedication, support, guidance and responsiveness has been second to none and we have built a very strong partnership that we truly value.*

**Tom Cogan, President**  
Meltzer Group Benefits, Bethesda, MD

*American Benefits Group serves as a strategic partner and valued resource for our organization. As a preferred administrator of FSA and Reimbursement Account benefits for many of our key employer clients, we have found their service to be truly outstanding, and their administrative execution is flawless.*

**The Hartfield Company, New Albany, IN**  
Douglas Sidebottom, HIA, VP, Group Benefits

*Our confidence in ABG is simple – They have a strong team of experts, implementation process is smooth, fees are competitive and service issues are resolved promptly.*

**Daniel R. Timmermann, SVP,**  
Practice Leader  
Schwartz Benefits Services, Chicago, IL



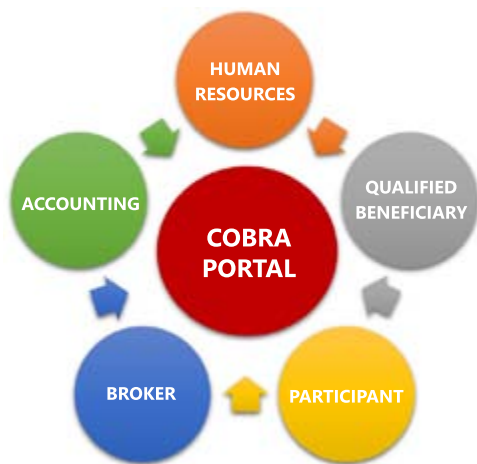
## COBRA Administration that Keeps You Informed

### Our COBRA Expertise Alleviates Your Compliance Headaches

We understand the challenges and complexities of COBRA compliance, so we'll take responsibility for your COBRA administration, notification, accounting and premium collection. Our certified COBRA experts will communicate with Qualified Beneficiaries (QBs) regarding eligibility, billing, collection and premium reconciliation. You'll still have secure, on-demand access to documents, notification dates and reports to document compliance.

*That means **less liability for you** and more time for your HR staff to focus on other priorities.*

We eliminate time-consuming, confusing, manual COBRA compliance tasks, such as manual preparation and mailing of notifications, paper document storage and employee history and eligibility tracking. We also have the option to email letters to members. We'll also keep you informed as regulations change. Our dynamic website, [www.amben.com](http://www.amben.com), has a wealth of information and our myBenefitsBlog keeps clients up to date.



*Using our online dashboard, you'll see every notice and when it was sent*



### Specialized Expertise, Convenient Access

Certified COBRA Administrators manage every detail of your COBRA eligibility, notification billing and premium collection requirements. American Benefits Group employs the most advanced specialized COBRA software applications to ensure a seamless administrative process that automates eligibility tracking. Every user has access to appropriate, real-time data, delivered via our secure COBRA portal.

#### Our COBRA Administration includes:

- Online Access for Clients and Participants
- Full COBRA Lifecycle Administration
- Notifications with the DOL, including late payment letters
- Full Import and Export Functionality
- HIPAA Assistance
- Premium Collection and Eligibility Reconciliation
- Monthly Billing Notices or Payment Coupons
- Insurance Carrier Management
- Eligibility Management
- Medicare Entitlement Monitored
- Annual Enrollment Services
- Communication to All Qualified Beneficiary for Any Plan or Premium Change
- State Continuation and Mini-COBRA Administration
- Audit Trails
- General COBRA Consulting to Client

## Direct Premium Billing

Employers often struggle with the administrative burdens associated with premium billing for retirees and employees on leave or disability. Our Premium Billing Administration service invoices, collects and enables the rapid transfer of information and funds while eliminating much of the paperwork usually associated with:

- Leave of Absence (LOA)
- Family Medical Leave Act (FMLA)
- Retiree Billing
- Other employer-specific billing needs.

Features include flexible Non-COBRA Direct Premium Billing, employer-directed premium billing and collection processing, electronic payments, participant and employer portals, instant account access, and on-demand detailed employer activity and remittance reports.

*Employers can also look forward to **better cash flow through more accurate, timely billing** and instant access to back-up documentation.*



## Nondiscrimination Testing

In order to qualify for tax-favored status, a benefit plan must not discriminate in favor of highly compensated employees (HCEs) and key employees with respect to eligibility, contributions, or benefits. The Federal government has established regulations that specify requirements for each type of benefit plan governed by IRC Section 125, IRC Section 105, and IRC Section 129.

In order to evidence compliance annual tests must be performed and the results documented for each benefit plan. The results are subject to audit by the IRS.

American Benefits Group offers a comprehensive process for executing nondiscrimination testing. The NDX self-service portal is available to all our clients. Clients are able to run two tests per year, the cost is included in the annual admin fee.

*American Benefits Group offers a comprehensive process for executing nondiscrimination testing.*

## Flexible Spending Accounts

Employer sponsored Flexible Spending Accounts (FSAs) allow employees to set aside a portion of their earnings on a pre-tax basis to pay for qualified medical and/or dependent care expenses.

### Health Flexible Spending Account

The most common type of FSA is used to pay for medical expenses not covered by insurance; this usually means deductibles, copayments, and coinsurance for the employee's health plan, but may also include other expenses not covered by the health plan such as dental and vision expenses.

A Health FSA cannot pay for health insurance premiums, cosmetic items, controlled substances, or items that improve "general health". All items must be intended to treat or prevent a specific medical condition; this can be as significant as diabetes or pregnancy, or as trivial as skin cuts. Generally items are the same as those allowable for the medical tax deduction, as outlined in IRS publication 502.

### Limited Purpose FSA (LPF)

Reimbursements are limited to Vision and Dental Expenses, making participation in this account compatible with contributing to a Health Savings Account (HSA).

If an employer allows it under their LPF plan design, employees who anticipate having large deductible

expenses can use their LPF as a "Post Deductible FSA" once they have met the minimum out-of-pocket deductible expense as required by the IRS.

### Dependent Care Account (DCA)

FSAs can also be established to pay for certain expenses to care for dependents that live with participants while they are at work. While this most commonly means child care for dependent children through age 12, it can also be used for adult day care for live-in adult dependents.

### Premium Conversion or Premium Only Plans (POP)

Employee contributions for any employer provided group health and dental insurance can be paid with Pre-Tax dollars.

### Plan Document

Flexible Spending Accounts are a component of a Cafeteria Plan under Section 125 of the IRS regulations. American Benefits Group supplies our employer clients with the appropriate plan documents to govern their plans.

*We also provide annual nondiscrimination testing to be sure your plans are in compliance.*

## Lifestyle Spending Accounts

Not every employee has the same lifestyle needs. The ABG LSA allows employees to spend benefit dollars on the things that matter most to them. Here are a few examples:

- Office lunch – delivered or at the grocery store
- Gym membership
- Tuition and education spending
- Work-from-home needs – internet stipends, relocation fees or office supplies
- Healthy outlets based around the company's culture and goals, such as preventative care not covered under existing health plans, stress relief programs and working environment perks.



Flexible Spending Accounts provide **real savings** for both the employer and employee.

## Health Reimbursement Arrangements

If you're like most employers, one of your primary concerns is the high cost of medical insurance. While you want to provide your employees comprehensive protection, it needs to be affordable. Health Reimbursement Arrangements provide a strategy that enables you to achieve that goal and still provide comprehensive coverage.

*An HRA, paired with a high-deductible health plan, allows you to reduce your fixed health insurance premium and only fund HRA expenses as they occur.*

### General Rules Relating to an HRA

- HRAs are both owned and funded by the employer.
- The employer determines how much to contribute and what expenses are eligible for reimbursement within the IRS guidelines.
- The employer can choose to allow unused funds to roll over from one plan year to the next.
- HRAs are usually integrated with a high-deductible health plan (HDHP), but can be paired with any type of health plan.
- All employer contributions to the plan are 100% tax deductible to the employer, and tax-free to the employee.
- Employers may fund HRAs with annual lump sums or periodically throughout the year and restrict reimbursements to current account balances.

### Examples of HRA Plan Designs

HRA plan designs are virtually limitless, below are examples of frequently used plan designs. These examples are based on pairing an HRA with a High Deductible Health Plan that has a \$2,000 deductible with 100% coinsurance.

#### Design 1 – Employer Pays First

- Employer reimburses first \$1,000 from HRA.
- Employee pays the next \$1,000.
- Health plan pays remaining covered benefits.
- Benefits: Provides first-dollar coverage for employees. Can help assure a smooth transition to a high deductible plan.

#### Design 2 – Employee Pays First

- Employee pays first \$1,000 of deductible.
- Employer reimburses next \$1,000 from HRA.
- Health plan pays remaining covered benefits.
- Benefits: Employer saves the most money. Encourages informed and responsible use of health care services.

#### Design 3 – Split Deductible

- Employer and employee split the deductible costs.
- Health plan pays remaining covered benefits.
- Benefit: Offers a "middle ground" plan in which expenses are shared from the outset.

#### Design 4 – Divided Deductible

- Employee pays first \$500 of deductible.
- Employer reimburses next \$1,000 from HRA.
- Employee pays next \$500 of deductible.
- Health plan pays remaining covered benefits.
- Benefit: Employee deductible is divided in two. The initial employee portion can mirror the group's current plan deductible.

### Ask Us About Our QSEHRA!

*(Qualified Small Employer Health Reimbursement Arrangement)*

If employees leave during the year, **the employer retains the funds.**



## Health Savings Accounts

### Our Turn-Key Health Savings Account Solution

HSAs offer a three way tax advantage!

- Contributions reduce taxable income.
- Earnings on the account grow tax free.
- Distributions from the account for HSA qualified expenses don't get taxed either.

### American Benefits Group HSA Program

We've aligned our industry expertise with technology partner, Alegeus and a top financial institution, Avidia Bank. ABG will be your single point of contact for your HSA program. We coordinate all HSA enrollments, initial funding, and ongoing employer or employee-based contributions.

Once participants are enrolled, we ensure the success of your HSA program by providing Tier 1 support services and education.



### Two savings options give participants maximum flexibility.

#### Liquid Cash Account

The liquid cash account is an interest bearing checking account provided by Avidia Bank. Funds are directly deposited into the participant's account. Deposits in this account are available for disbursement, either via the Debit Card or by check.

#### Investment Account

Eligible participants will also have access to a self-directed brokerage account with Devenir Group with access to a broad range of mutual funds.

Account holders simply transfer from the brokerage account into the cash account when funds are needed for disbursements. Participants can manage both accounts through our secure, online WealthCare Portal.

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*We believe strongly that employees must understand their benefits options, the importance of participating and contributing, and the value of the debit card in accessing and managing funds.*

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Coordinate your HSA with additional pre-tax plans, **all on the same benefits card** - from a single on-line or mobile **participant portal**.

## Commuter Plans

### Transit & Parking Benefits (Section 132 Plans)

Commuter plans help tax-paying commuters get more out of their paychecks by reducing commuting costs up to 40%. Employers save, too, cutting their payroll taxes on average by 7.65%. Employees (or employers) pay for transit passes, commuter highway van pool expenses and qualified parking expenses with pre-tax dollars.



#### Option One: American Benefits Group (ABG) Benefits Card

Based on employees monthly commuter election, employees pay for eligible expenses with their ABG Benefits Cards right on the spot, with no out of pocket cost and virtually no claim forms. The same card works with their Flexible Spending Account, Health Reimbursement Arrangement or Health Savings Account. Our sophisticated technology directs each card swipe to the appropriate account.

#### Option Two: My Commuter Connect — Online Commuter Pass Fulfillment Option

My Commuter Connect is a fully compliant, cutting-edge, program for transportation and parking passes. A single sign-on via [mycommuterconnect.com](http://mycommuterconnect.com) provides participants access to our national network of more than 500 transit authorities and more than 9,000 parking locations. Participants order passes online and receive them in the mail or they can load their transit authority's Smart cards such as Clipper, SmarTrip and Ventra.



Savings all around. **Bigger paychecks**. Reduced payroll.



*Our mission is to define a level of service that is unmatched in the industry today,  
and exceeds our client's expectations in every way.*

