

PROPOSAL FOR

CITY OF MANCHESTER

Request for Proposal for Employee Benefits Brokerage
& Consulting Services

 Scott Cartwright
West TN State Manager
615-224-3082
[scott.cartwright@americanfidelity.](mailto:scott.cartwright@americanfidelity)

AMERICAN FIDELITY 
a different opinion 



(This page should be Page 1 of bid submission packet for ease of location)

INVITATION FOR PROPOSALS

Date: December 8, 2023

City of Manchester
Attn: RFP Employment Benefit Broker Services
200 W. Fort Street
Manchester, TN 37355
Phone: 931-728-4652 Ext. 1303

Request for Proposals: Brokerage/Consulting Services for Group Insurance

Proposal Due: Monday, January 8, 2023 at 2 p.m.

Opening: 200 W. Fort Street, Manchester, TN 37355

SUBMIT: The proposal needs to have one (1) original, unbound copy **SIGNED IN BLUE INK**, one (1) bound copy,

Name and Address of Proposer:

American Fidelity Assurance Company

Date: 1/2/2024

9000 Cameron Parkway

Signature in Blue ink:

Oklahoma City, OK 73114-3701

Rachel Mann

Printed Name: Rachel Mann

Telephone: 800-662-1113

Title: AVP, Mkt Engagement & Cust Exp

Email: proposal@americanfidelity.com

(This page should be Page 2 of bid submission packet for ease of location)

VIII. SIGNATURE PAGE

1. The undersigned Proposer proposes and agrees, that if this proposal is accepted and successful, to enter into an agreement with The City of Manchester, Tennessee to perform and/or furnish the goods and/or services at the prices indicated below in accordance with the terms and conditions detailed in the Request for Proposal.
2. This proposal is genuine and not made in the interest or on behalf of any undisclosed person, firm, or corporation and is not submitted in conformity with any agreement or rules of any group, association, organization or corporation; Proposer has not directly or indirectly induced or solicited any other Proposer to submit a false or sham proposal; Proposer has not solicited or induced any person, firm or corporation to refrain from proposing; and Proposer has not sought by collusion to obtain for itself any advantage over any other proposer or over The City of Manchester, Tennessee.
3. *Title VI of the Civil Rights Act of 1964.* All interested parties, without regard to race, color or national origin, shall be afforded the opportunity to propose and shall receive equal consideration. Please assist us with our compliance efforts by completing the optional statistical information requested below.
4. **BOYCOTT OF ISRAEL.** THE CONTRACTOR CERTIFIES THAT IT IS NOT CURRENTLY ENGAGED IN, AND WILL NOT FOR THE DURATION OF THE CONTRACT ENGAGE IN, A BOYCOTT OF ISRAEL AS DEFINED BY TENN. CODE ANN § 12-4-119. THIS PROVISION SHALL NOT APPLY TO CONTRACTS WITH A TOTAL VALUE OF LESS THAN TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000) OR TO CONTRACTORS WITH LESS THAN TEN (10) EMPLOYEES.

Proposals must be delivered to the following address:

City of Manchester
Attn: RFP Employment Benefit Broker Services
200 W. Fort Street
Manchester, TN 37355

SIGNATURE PAGE

Authorized Signature: Rachel Mann

Printed Name: Rachel Mann

Title: AVP, Mkt Engagement & Cust Exp Submitted on January 2, 2024

Company Name: American Fidelity Assurance Company

Address: 9000 Cameron Parkway Phone (800) 662-1113

Oklahoma City, OK 73114-3701 Fax (405) 523-5963

(This page should be Page 3 of bid submission packet for ease of location)

IX. FEE PROPOSAL

Describe your method of compensation for your services. If you are compensated on a fee basis, please provide your fee structure. If you are compensated on a commission basis, provide detail of compensation, including percentage of commission. If compensated on a commission basis, will your firm also receive additional “overrides”, “incentives” and/or “bonuses” from any carrier or other provider?

Year 1	\$ 0.00
Year 2	\$ 0.00
Year 3	\$ 0.00
Year 4	\$ 0.00
Year 5	\$ 0.00

Explanation of proposed fees:

Please see the next page for explanation.



IX. FEE PROPOSAL

We do more to enhance your benefits program without adding to your bottom line.

Professional Enrollment Support*

\$0

- Assisted Active Enrollment for all benefits
- Tailored Employee Communication
- Year-Round HR and Administrative Partnership
- Multichannel Enrollment Approach

Section 125 Plan Administration*

\$0

- Sample Plan Document, Implementation, and Annual Review
- Annual Non-Discrimination Testing Worksheets

Healthcare Flexible Spending Account (HCFSAs) Administration*

\$0

- Benefits Debit Cards for Employees and Dependents
- Upfront HCFSAs Funding
- Insured HCFSAs Risk Insurance — up to \$3,200

Dependent Care Account (DCA) Administration*

\$0

Health Savings Account (HSA) Administration*

\$0

- Benefits Debit Cards for Employee and Dependents

AFenroll® – Benefits Enrollment Platform*

\$0

Dependent Verification Reviews*

\$0

*American Fidelity Assurance Company provides these services at no additional charge, where permitted by law, in exchange for access to offer our portfolio of voluntary benefits to your employees. Please refer to our Service Exchange Agreement for more details.





(This page should be Page 4 of bid submission packet for ease of location)

PUBLIC ACTS 109
(Iran Divestment
Act)

"By submission of this bid, each bidder and each person signing on behalf of any bidder certifies, and in the case of a joint bid each party thereto certifies as to its own organization under penalties of perjury, that to the best of its knowledge and belief that each bidder is not on the list created pursuant to §12-12-106"

Full text of Public Chapters can be found on the Tennessee Secretary of State's website:
<http://tnsos.org/acts/PublicActs.109.php>.

American Fidelity Assurance Company

Company Name (Proposer/Contractor)

JORDAN JESTER
Notary Public, State of Oklahoma
Commission #18007342
My Commission Expires 07/24/2026

Print Name
Rachel Mann

Signed Rachel Mann

Title
AVP, Mkt Engagement & Cust Exp

Subscribed and sworn before me this 2nd day of January, 2024.

Signed Jordan Jester Print Name Jordan Jester

Title Marketing Analyst

My Commission expires: July 24, 2026

NOTE: Bids cannot be considered nor awards be made to anyone without the above required statement.



VI. QUALIFICATIONS

1. Firm name, address and contact information.

American Fidelity Assurance Company
9000 Cameron Parkway
Oklahoma City, OK 73114-3701

2. Telephone, Facsimile and Internet address.

Phone: 800-662-1113
Fax: 405-523-5963
www.americanfidelity.com

3. Type of firm; individual, partnership corporation or subsidiary.

American Fidelity Assurance Company is a privately held corporation.

4. Organizational structure of the firm; history, including number of years in existence.

American Fidelity Assurance Company has over 60 years of experience in the benefits industry, specializing in the public sector. With a niche market focus, we ensure that our dedicated team of nearly 1,800 colleagues, including approximately 500 salaried account managers, are well-versed and knowledgeable about the specific needs and challenges of the public sector. Supported by over 1,300 employees at our headquarters and with a strong presence of more than 40 branch offices nationwide, we provide comprehensive services in benefits implementation, education, enrollment, HR support, and more.

American Fidelity has consistently been recognized as a leading benefits administration company and great place to work. Because we know great culture, we have the experience to help you cultivate yours.

A+

AM Best
Company Rating³

57

Industry-Leading Net
Promoter Score (NPS)

3M

Over \$3 Million in
Corporate Giving in 2021²



PEOPLE
Companies that
Care 2021³



Ward's 50[©]
Top Performing Life-Health
Insurance Companies³



Fortune Magazine's
"Best Companies to Work For"³
"Best Workplaces for Women"
"Best Workplaces for Diversity"
"Best Work Place for Millennials"



VI. QUALIFICATIONS

5. Describe the ability of your firm to provide service to the city.

American Fidelity Assurance Company was established in 1960 with the mission of making insurance more available to the working class. For more than 60 years, American Fidelity has continued that mission by providing quality supplemental insurance products and other services to the public sector community. The following is what differentiates American Fidelity from the competition:

- American Fidelity offers a comprehensive, customized benefits solution with a wide array of products and services through a single source.
- Through the American Fidelity General Agency, we have a strong history of working with premier top-rated carriers to help expand the core benefit selection for employers. We choose proven, trusted partners who share our utmost commitment to serving our customers' needs.
- Public sector niche focused to partner with our public sector groups to tailor a specific solution for our customers at the city level and the employee level.
- Technology solutions that are tailored to the city's needs with an implementation team to get everything set up.
- American Fidelity is one of the leading Section 125 Plan providers nationwide with nearly 40 years of experience providing these Plans to organizations like yours. When you choose American Fidelity as your Plan provider, we will help you properly implement and maintain your Section 125 Plan. This includes helping you establish your Plan Document. Our business model is convenient, IRS compliant, and will help to relieve your organization of the administrative burden.
- We serve nearly one million customers and 9,000 employer groups nationwide.
- American Fidelity utilizes salaried account managers, not commissioned brokers, who will provide you and your employees a holistic approach to benefits administration. We customize our benefits at the employee level while keeping the administration of the products simple.
- American Fidelity has been rated "A+" Superior by A.M. Best Company since 1982.
- American Fidelity has been providing insurance benefits and services since 1960. While we have been brokering services during that time, our broker agency has been providing services for approximately 33 years.
- Due to our national presence in the public sector market, we have a unique perspective and access to new and innovative benefit plan designs that help employees while being budget conscience.

6. Names and titles of all officers of the firm (name, title, phone numbers).

Bill Cameron, CEO/COB - 405-523-5246

Jeanette Rice, President - 405-523-5104

Jeremy Tipton, VP, Chief Business Development Officer - 405-212-2584



VI. QUALIFICATIONS

7. List applicable certifications and licenses; include a copy of Errors and Omissions Insurance Certificate.

As an insurance company, American Fidelity self-insures for Errors & Omissions. In addition, American Fidelity maintains worker's compensation, general liability and crime coverage. Our aggregate liability coverage limit is \$5,000,000. A copy of our Certificate of Insurance is included with this RFP submission.

8. The number of years your firm has provided insured employee benefits services.

American Fidelity has been providing benefits administration for public sector since 1960. Through our supporting entity, American Fidelity General Agency, we have been providing brokerage and consulting services for the past 33 years.

9. Provide the names of at least three employers, preferably local governments for whom your firm has provided similar services within the past three years. List the number of employees for each. Please include the contact person and phone number of each organization.

Putnam County Government
560 employees
Angie Vaughn, Payroll
Regina Legge,
HR Manager 931-526-2161

Manchester City Schools
285 employees
Joey Vaughn, Director of Schools
Colette Chaffin, HR Director/Payroll/Employee Benefits
931-728-2316

Coffee County Government
335 employees
Marianna Edinger, Finance Director
931-723-5100

Coffee County Board of Education
566 employees
Charles Lawson, Director of Schools
April Melson, Business Manager
931-222-1062

11. Describe your firm's resources or methods to provide education on legal, regulatory changes and market trends.

American Fidelity has a dedicated benefits compliance team to help you stay on top of changes in the law affecting your benefits program. Additionally, all our account managers go through targeted compliance focused education each year so you're getting updated benefit guidance and support throughout the year. We monitor and educate our customers on all the above through lunch-and learns, VIP email notifications, newsletters, our Benefits Blog, and personal benefit reviews.



10. Describe the responsibility, experience and qualification of comprised account service team members.



Lisa Boone
Account Development Executive

- 32 years experience
- Works in Mississippi, TN, and Arkansas
- 2021 Account Development Executive of the Year
- Married with four children



Tres Carter
East Tennessee State Manager

- 19 years in the service industry
- 9 years dedicated to TN accounts
- Offers personalized service and flexibility to customers
- Married with three children



Scott Cartwright
West Tennessee State Manager

- Over 16 years of industry experience
- 7 years dedicated to TN accounts
- Believes great customer service is non-negotiable
- Married to a TN teacher, father of two kids



Mary Edwards
Account Manager

- Former science teacher
- Over 22 years of expertise in education and service
- Involved in the local and state parent-teacher association
- Enjoys serving her community and spending time with her husband



Laura Faulkner
Senior Account Manager

- Former teacher and school psychologist
- 22 years of industry experience
- Brings a deeper understanding of the benefits offered to employees
- Married with three children



Scott Grooters
Account Executive

- 17 years of industry experience
- 12 years dedicated to TN accounts
- Expert on TN health and retirement plans
- Offers creative solutions to your unique challenges



Bryan Herring
Executive Account Manager

- 22 years experience
- Expert on TN health and retirement plans
- Works very closely with central offices
- Financial Industry Regulatory Authority registered representative



Scott Long
Senior Account Executive

- 22 years experience
- 13 years dedicated to TN accounts
- Financial Industry Regulatory Authority registered representative
- Provides personalized customer service





Ryan Moore
Executive Account Manager

- 5 years dedicated to TN accounts
- Experience with 7,000+ employee accounts
- Committed to minimizing employer workload



David Owen
Account Manager

- Over 27 years of industry experience
- Personalized approach to benefits
- Licensed in TN health, life, and annuity benefits



Chris Owsley
Account Manager

- 22 years of industry experience
- Believes in empowering employees to take control of their benefits
- Married to a TN educator and son of an educator



Will Lovelady
Account Manager

- 24 years of industry experience
- Son to retired teacher and bus driver
- Committed to creating an unforgettable enrollment experience



Prentiss Ballard
Account Manager

- 22 years of industry experience
- Committed to building relationships with clients through integrity and quality service
- Believes in keeping client's needs as top priority
- Married to a TN High School Principal



Chuck Humphrey
Account Manager

- 18 years of industry experience
- 7 years experience partnering with TN public sector
- Chairperson for non-profits working with local school system
- Married to TN teacher



Steve Ward
Executive Account Partner

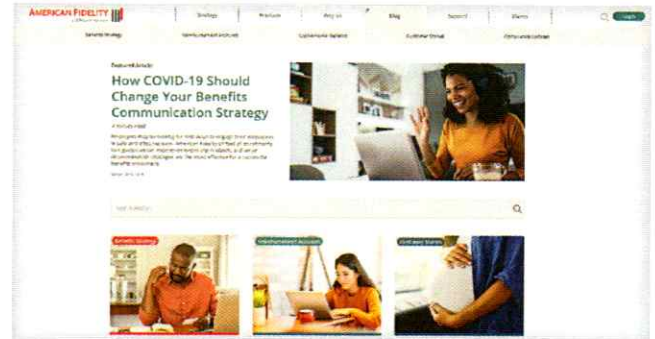
- 22 years of industry experience
- 21 years with American Fidelity
- Makes benefits enrollment easy and convenient for customers



VI. QUALIFICATIONS

12. If you publish newsletters and other informative publications that are routinely provided to your clients, please provide recent sample copies.

We have included copies of our most recent informative publications that are routinely available to clients. We provide resources for employers to gain helpful insights about benefits management each month on our blog. Topics include tips on benefits compliance, reimbursement account management, how to get the most out of supplemental insurance, and more. Every month we email new articles to our Section 125 book keeper contacts. Employers can also access articles anytime at <https://americanfidelity.com/blog/>.



13. Describe the resources your firm has available in the area of developing technical employee benefit communications. If this service is outsourced, please provide the name of the firm used and their web address.

American Fidelity is set apart from the competition by our dedication to providing you and your employees with a streamlined benefits enrollment experience by offering one source for employee education, group meetings, and enrollment. As your partner, we implement valuable, consistent benefits education that allows each employee to learn about their benefit options via their preferred method (self-service, virtual one-on-one, or in-person one-on-one). We believe that when employees are properly educated, they will better appreciate and understand the benefits offered through their employer, leading to higher satisfaction and retention.

We will provide your employees with a variety of pre-enrollment materials, including a customized enrollment website, email blasts, educational videos, text message alerts, posters, flyers, and benefit guides. Through our enrollment website, your employees will have access to an online appointment scheduler for convenient access to schedule an individual enrollment session with our salaried account managers. We also prefer to set up group meetings prior to scheduled enrollment dates for buildings to communicate to the group as a whole and offer the opportunity for discussion and questions to be asked and answered that may benefit the entire group. American Fidelity offers options for in-person enrollments to help ensure your employees can enroll in the benefits they want, how they want, while decreasing your administration workload. We utilize salaried account managers that work solely with accounts in Tennessee. These experienced account managers are highly trained to be your strategic partner and help you achieve your benefit goals year after year.

Participants can manage their benefits and reimbursement accounts from their computer, phone, or tablet with our secure portal and mobile app. The app will assist file and manage claims online, check reimbursement account balances and track account activity, update account information, download and print insurance policies, and set up account notifications.





VI. QUALIFICATIONS

14. Outline your firm's ability to provide expertise and experience in the area of wellness program design.

As an organization, we understand that employee wellness programs can lead to improved health outcomes, reduced absenteeism, and increased productivity. As a national company we have a large footprint across the US to help with a customized solution. Our firm has resources available to help create a wellness plan tailored to your specific needs.

Our proposed implementation process involves collaborating with your organization to assess the current state of employee wellness, identifying areas of improvement, and developing a plan that aligns with your goals and resources. We will work closely with your team to ensure seamless integration with your existing benefits program and provide ongoing support and education to encourage participation and engagement. Our experienced team of account managers and wellness specialists will provide guidance and support throughout the entire process, including regular check-ins to track progress and adjust the plan as needed. With our expertise and resources, we are confident that we can create a successful wellness program that benefits both your employees and your organization.

15. Describe your firm's resources available to provide plan analysis, rate determinations, plan savings.

Our goal is to secure the best benefits available at the most affordable cost. We have proven results saving money while improving benefits.

We have a team with a national perspective that will provide the following brokerage and benefits services for you:

- We work with "A" rated insurance companies.
- We shop the marketplace to secure confirmed and competitive rates.
- We negotiate with the insurance carriers to secure the best benefits available at the most affordable cost.
- We analyze and sort the benefit plans and rates collected to create an "apples to apples" comparative analysis.
- We conduct an analysis to estimate out-of-pocket costs to ensure plans are not low in cost while shifting to high maximum out of pocket cost to the employees.
- We arrange staff enrollment meetings to communicate plan information and answer questions.
- We answer benefit questions and assist in managing enrollments with carriers throughout the year.
- We provide ongoing enrollment and/or termination assistance; consult with our benefits attorney as needed, and other duties as requested.
- Webinars on topics of interest related to insurance, HIPAA, Healthcare Reform, human resource administration and other items of interest to employers.
- Access to the benefit attorneys, online educational resource library, ongoing webinars for compliance related issues, and even direct access to ask legal/compliance questions.



VI. QUALIFICATIONS

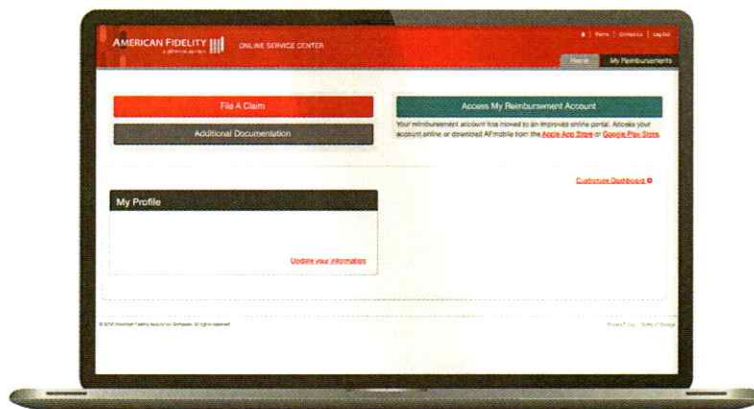
16. Describe the exceptional, value-added features of your proposal.

American Fidelity can provide the following additional services at no additional cost to the city:

- Health Savings Account administration
- Enhanced benefit education
- Health Reimbursement Arrangements
- Dependent Verification Reviews
- American Fidelity's online enrollment platform - AFenroll®
- Automated bill reconciliation
- New hire benefit onboarding
- 403(b) and/or 457(b) administration
- Retirement Readiness Seminars
- Health Insurance Education Meetings
- VIP notifications regarding legislative and/or IRS compliance changes or updates
- Online Service Center (OSC) for administration and employees to streamline benefits administration
- American Fidelity's mobile app - AFmobile - to give employees quick access to submit and review claims.
- One-on-one enrollment with all employees annually and all new hires as they are hired

17. Please list any third-party payroll providers you have worked with in the past.

American Fidelity can provide custom payroll formats to most major payroll providers, including Paycom. As a national provider, we work with hundreds of payroll companies to provide the proper format for an upload.





VI. QUALIFICATIONS

18. Please describe any additional services not previously mentioned in the RFP that will be available to The City of Manchester.

Products Offered by American Fidelity Assurance Company

Group Disability Income Insurance; Accident Only Insurance; Cancer Insurance; Individual Term and Whole Life Insurance; Group Critical Illness Insurance; Group Hospital Indemnity Insurance; Hospital GAP PLAN® Insurance; Fixed and Variable Annuities

Products Offered by American Fidelity General Agency

Individual Worksite Life Insurance; Group Life Insurance; Group Accidental Death & Dismemberment Insurance; Group Vision Insurance; Group Dental Insurance; Individual Long Term Care Insurance; Hospital and other Medical Indemnity Insurance; Pet Insurance; Legal Services and Identity Theft Protection; Student accident coverage; ASBA Business Trip AD&D

Services offered by American Fidelity Assurance Company

Section 125 Administration; 403(b) Plan or 457(b) Plan Administration; Flexible Spending Account (FSA) Administration; Health Savings Account (HSA) Administration; Health Reimbursement Arrangement (HRA) Administration; Dependent Verification Reviews; Health Plan Consulting; Leave of Absence Support; ACA Employee Tracking and IRS Reporting Support; Non-Discrimination Testing; Pre-Tax Transportation Benefits; PMFL Administration

Here's what sets us apart:



Professional enrollment support



Customized voluntary benefit solutions



Reduced administrative workload



Employee education and personalized benefit reviews



Year-round support from our dedicated salaried account managers



SUPPLEMENTAL INFORMATION

- Sample COI
- Blog Articles





INSURICA - Named Insured List

XX INSURICA, Inc.
INSURICA Insurance Services, LLC
N.A.S. Insurance Agency, Inc. d/b/a North American
North American Insurance Agency of Lawton, LLC
dba INSURICA of Lawton

Global Premium Finance, LLC
Global Premium Finance West, Inc.
CTK North American LLC
dba CTK North American Insurance Services, LLC
INSURICA Insurance Management
Network of Tulsa. LLC

INSURICA Southwest Insurance Services. LLC
(formerly Minard-Ames Insurance Services, LLC)
Risk Services of Arkansas LLC
INSURICA Express, LLC

INSURICA TX Insurance Services. LLC
dba Hilliard Box Insurance
dba INSURICA Hilliard Box Insurance

INSURICA CA Insurance Services, LLC
dba Walter Mortensen Insurance
dba INSURICA Walter Mortensen Insurance
dba Paso Robles Insurance Agency
dba INSURICA Paso Robles Insurance Agency

INSURICA DFB Insurance Services, LLC
First Texas Insurance Services, LLC
Meyers & McComis, Inc. dba Meyers Agency
MMI Insurance Agency, LLC

INSURICA TX Holdings, LLC
NAS Risk Solutions, LLC
INSURICA of Central Oklahoma, LLC
North American Limited Agency, Inc.
Broker Source, LLC
Global Express Underwriters, LLC
Envision Captive Consultants, LLC
INSURICA Rocky Mountain, LLC

Oklahoma Business Insurors, LLC
Gulf Coast Insurance Agency, Inc.
dba Drago Insurance Agency
Henry Norris Agency, Inc.
C&S Specialty Underwriters, LLC
InCite Performance Group



Taking a leave of absence from work: What you need to know

Deciding to take a leave of absence from work is a big decision that requires planning and communication with your employer. Whether it's for personal or medical reasons, it can be overwhelming. Knowing your rights and responsibilities can help ensure a smooth process.

Here are five important things to keep in mind when considering a leave of absence, with an emphasis on employer-provided paid leave and the Family and Medical Leave Act (FMLA).

Know Your Company's Policies

The first step in taking any leave of absence is to familiarize yourself with your company's leave policies. Policies can vary from one organization to another. Some employers offer paid absence of leave, such as vacation or sick days, while others may provide unpaid leave or follow FMLA guidelines. Check your employee handbook or speak with HR to understand the specific policies that apply to your situation.

FMLA Eligibility

If you or one of your family members is dealing with a serious health condition and you need to take a leave of absence, you may be eligible for FMLA. FMLA allows qualified employees to take up to 12 weeks of unpaid, job-protected leave in 12 months.

To qualify for FMLA, you must: (1) work for an FMLA covered employer for at least 12 months total, and (2) accumulated 1,250 service hours over the past year.

Notification and Documentation

It's essential to notify your employer as soon as possible when you know you'll need a leave of absence. If your organization has an online portal for leave requests, follow their specific absence management login procedures. This may involve providing written notice and medical certification.

Understanding Paid Leave Options

If you have access to paid leave benefits, such as vacation or sick days, it's important to know how to use them. Some organizations allow employees to use accrued paid leave to cover part or all their time off, which can help lessen the financial impact of unpaid leave. Again, check your employer's policies to determine how paid leave can be applied to your situation.

Maintain Communication

While you're on leave, stay in touch with your employer. Provide updates on your recovery or expected duration of leave. Maintaining open and honest communication can help your employer plan for your return and ensure a smooth transition back to work when you're ready.

Taking a leave of absence from work, whether paid or unpaid, is a decision that should be approached with consideration and adherence to your employer's policies. Knowing your rights, understanding FMLA eligibility, and leveraging any available paid leave can help make the process less stressful. Effective communication throughout your leave is key to maintaining a positive relationship with your workplace while attending to your personal or medical needs.

This information is intended to be educational. It is general in nature and should not be considered financial, legal or tax advice. Consult an attorney or a tax professional regarding your specific situation.



This blog is up to date as of September 2023 and has not been updated for changes in the law, administration or current events.

AF-2821-1023

Facebook/Twitter Social Post (AF-2821-1023): Are you planning on taking a leave of absence from work? Consider these five tips!



What Your Medical Plan Won't Cover

When it comes to our health, most of us rely on health insurance to cover us in case of an illness or accident. However, it's important to understand that the traditional primary health insurance policy only covers some things.

These policies are based on a cost-sharing concept where you and your family are expected to share the expenses with the insurance provider. This is why many people choose supplemental insurance to help cover the expenses that traditional health insurance plans don't.

Copayments

Your primary health insurance may pay a portion of most treatments, even expensive ones like cancer care and stroke recovery. However, you will likely share some of that burden through copayments.

Copayments provide a set amount that you must pay out-of-pocket for different expenses. For example, your policy could require a \$50 copayment for every doctor's visit. If you have a chronic illness, you may be in and out of the doctor's office for months.

Coinsurance Fees

Coinsurance is the percentage you pay for a covered medical treatment after you've met your deductible. For example, you may have to pay 50% of the cost of an inpatient stay. If you become ill and need to have an inpatient stay for several days, that cost will add up. If your policy has a high out-of-pocket expense maximum, you'll pay up until that amount.

Deductibles

Sometimes, people choose a high-deductible health plan (HDHP). To help offset higher deductibles (the out-of-pocket cost before insurance begins to pay), many people will use a health savings account (HSA). However, that money can go fast if you get sick.

If your policy has a deductible of thousands of dollars, you will pay at least that amount if you become ill. At that point, you may have to cover a coinsurance fee or a copayment, so there is added expense.

Non-Medical Expenses

Traditional health insurance plans focus only on medical expenses, which is only half the battle sometimes. If you get cancer, for instance, you may have travel expenses to worry about for treatments. Primary health insurance sometimes doesn't cover the costs of getting to your therapy if you need to travel to another city.

Supplemental Insurance

Supplemental insurance can be a great help in easing the financial burden related to healthcare expenses. There are supplemental health insurance benefits that help cover a variety of expenses that a traditional medical insurance plan may not cover, such as copayments, coinsurance, and out-of-pocket expenses.



An affordable health insurance supplemental plan can help cover the costs left by your regular health insurance, so you don't have to worry about it. It may provide a sense of security in case of unexpected health issues, allowing you to focus on getting better.

[Learn how supplemental insurance could benefit you >](#)

This blog is up to date as of October 2023 and has not been updated for changes in the law, administration or current events.

AF-2873-1123

Social Media:

Are you sure your health insurance is enough? Learn about potential gaps in coverage and why you may need a supplemental plan to help protect your health and finances.



HSA Rollover: Getting the Most Out of Your Funds

What is an HSA?

A Health Savings Account (HSA) is a type of savings account available to those with a qualifying High Deductible Health Plan (HDHP). It allows you to set aside money each year for eligible medical expenses.

Your HSA funds can be spent tax-free on you, your spouse, your children, or any other dependent listed on your tax return to pay for healthcare costs your medical plan doesn't cover. This includes items like over-the-counter medications, sunscreen or even mental health counseling. Refer to the [HSA Eligibility List](#).

HSAs also offer a triple-tax advantage. This means your contributions go into your account tax-free, savings may grow tax-free, and when used for eligible items, withdrawals are tax-free.

What happens if I don't use all my HSA funds by the end of the year?

Unlike Flexible Spending Accounts (FSAs), HSAs do not follow a "use it or lose it" rule. Any funds you don't use during your plan year will roll over to the next year.

Knowing your HSA rollover funds are available when you need them, it's always a wise decision to think about your HSA contribution for the upcoming year. Not only can you change your contribution amount at any time, anyone—you, your spouse, your employer—can contribute to your HSA.

What happens if I switch HSA providers?

Similar to a personal savings account, you own your HSA. No matter where life takes you, you will not lose any of your HSA funds, even those you've accumulated with another provider.

How else can I use my HSA?

In addition to helping you pay for eligible medical expenses, HSAs also provide many financial benefits.

Before retirement, an HSA can be invested in stocks, bonds, or other assets, depending on the options available from your HSA provider. This allows accountholders to take advantage of market gains without experiencing any capital gains taxes. In other words, you keep more money in your pocket.

Upon retirement, you can use your HSA funds to pay for healthcare expenses. Once you reach the age of 65, you can withdraw funds to cover your regular living expenses. Accountholders who spend HSA funds on non-medical expenses after 65 will owe taxes, but decades of tax-free growth are tough to match.

Because of its flexibility and versatility, an HSA is a valuable addition to anyone's health and retirement plan. Visit americanfidelity.com/hsa to learn more about this tax savings tool.

This blog is up to date as of October 2023 and has not been updated for changes in the law, administration or current events.

Social Media:

Are you getting the most out of your HSA? Find out how you can maximize your HSA rollover funds and keep more money in your pocket.

AF-2876-1023



Carryovers and Grace Periods: Avoid Losing Unused FSA Funds

A flexible spending account (FSA) allows you to use tax-free money for eligible medical or dependent care expenses. While FSAs must adhere to the “use-or-lose” rule, employers may offer one of two options to help you avoid having to forfeit your unused funds:

- **A grace period of up to 2.5 months** (ex. January 1 to March 15) to spend the remaining funds
- **Carrying over a maximum of \$610** of unused funds at the end of the year (as of 2023)
The 2024 carryover maximum is \$640.

However, employers cannot offer both, and some plans may not allow either option. This is why it's important to plan carefully and not put more money in your FSA than you think you'll spend within a year.

Types of FSAs

Let's briefly review the three different types of FSAs and how they can be used:

- **Healthcare Flexible Spending Accounts (HCFSA)** allow you to use pre-tax dollars to pay for eligible medical expenses, including dental and vision expenses.
- **Limited Purpose Flexible Spending Accounts (LPFSAs)** are similar to HCFSA, but they can only be used for eligible dental and vision expenses. LPFSAs can be paired with a health savings account (HSA) to help cover additional medical costs.
- **Dependent Care Accounts (DCAs)** are used to pay for eligible dependent care expenses. This includes care for children under 13, as well as elderly parents. It may also help pay for medical expenses for dependents with disabilities.
Carryovers are not allowed for DCAs, and some plan providers may not offer grace periods.

Things to consider before the end of the plan year

Are you considering taking advantage of the grace period or carrying over your unused funds to the next year? Here are some helpful tips and considerations you should keep in mind.

- **Set a reminder:** You typically have until the end of the year (or, with the grace period, up to an additional two and a half months after the plan year has ended) to spend any unused FSA money and submit receipts. But you don't want to wait until the last minute – set a calendar reminder a couple of months or weeks before the deadline to help you stay on top of your claims.



- **FSA carryovers do not impact next year's contribution limits:** This means even if you're carrying over a portion of last year's funds, you can still contribute the maximum amount for the next plan year.
- **Your FSA money can't move with you:** Unlike an HSA, you cannot take your FSA funds with you if you leave your job. However, your employer may offer a run-off period, allowing you to submit reimbursement claims for expenses incurred while still an active employee.

Still have money in your FSA?

Don't get stuck with a large balance at the end of the plan year. Most employers' plans will offer a run-off period of three months which allows you to submit claims incurred during the plan year. While FSA funds are usually spent on things like copayments, coinsurance and dependent care, you can also use them to purchase other eligible items, like band-aids and vitamins.

Look over the [Eligibility List](#) for items you can purchase with your FSA funds. You can also visit [FSAstore.com](https://www.fsastore.com) to shop for thousands of FSA-eligible products. But keep in mind, stockpiling is not permitted.

If you have questions or are unsure whether your employer offers a grace period or carryover for unused FSA funds, contact your HR department for more information.

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This information is intended to be educational. It is general in nature and should not be considered financial, legal or tax advice. Consult an attorney or a tax professional regarding your specific situation.

SOCIAL MEDIA

Don't stress over unused FSA funds! Learn more about carryovers, grace periods and planning ahead as 2023 comes to a close.

AF-2895-1123



2024 Reimbursement Account Limits Announced

The Internal Revenue Service (IRS) announced annual inflation adjustments for Healthcare Flexible Spending Accounts (HCFSAs) and Limited Purpose Flexible Spending Accounts (LPFSAs). These increases are effective for plan years beginning January 1, 2024 and later.

HCFSA and LPFSA:

2023 Contribution Max	2024 Contribution Max
\$3,050	\$3,200

HCFSA and LPFSA:

2023 Carryover Max	2024 Carryover Max
\$610	\$640

DCA:

For Dependent Care Accounts (DCA), annual limits will remain \$5,000 for single taxpayers and married couples filing jointly, or \$2,500 for married people filing separately.

HSA:

As a reminder, below are the Health Savings Account (HSA) contribution limits, along with the High Deductible Health Plan (HDHP) requirements announced earlier this year.

Contribution Limit	2023	2024
Self-Coverage	\$3,850	\$4,150
Family Coverage	\$7,750	\$8,300

HDHP:

Plan Requirements	2023	2024
Self-Only Coverage		
Minimum Deductible	\$1,500	\$1,600
Maximum Out-of-Pocket	\$7,500	\$8,050
Family Coverage		
Minimum Deductible	\$3,000	\$3,200
Maximum Out-of-Pocket	\$15,000	\$16,100

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Facebook & Twitter: The IRS has announced the 2024 reimbursement account limits.

