



March 21, 2011

To: SRNS and SRR Employees
From: Workforce Services

More Questions and Answers regarding Potential Benefit Considerations

Q&A: Other Medical Plan Changes under Consideration

1. What do you mean by a Health Savings Account? These are accounts used in conjunction with a High Deductible Medical Plan (our Basic Plan meets qualifications) where you set aside pre-tax monies to use for medical expenses. They differ from a Flexible Spending Account – in that they roll over each year and are portable to take when you terminate employment. Currently, they provide triple tax benefits (pre-tax contributions, tax free earnings and tax free when used). They also provide a method of saving for retiree plan expenses as you invest the monies, similar to a 401k and then can use for medical expenses after retirement.

2. What types of Wellness programs are you evaluating? The Medical Plan has partnered with the Medical University of South Carolina (MUSC) to provide viable wellness options – these include enhancing disease management, reviewing preventive care approaches and identifying other available programs. We are seeking volunteers to be part of a focus group, facilitated by MUSC - if you are interested, notify the Benefits Solutions Service Center (service-center@srs.gov or 57772).

The Employers periodically review the benefit plans and have the right to amend or terminate the plans at any time for any reason.