



CaliforniaChoice
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News
For Immediate Release

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CaliforniaChoice Makes HSAs Easy For California Businesses

California's leading authority on small employer health plans announces a partnership with HSA Bank to open and access Health Savings Accounts

(ORANGE, CA – May 10, 2004) — CaliforniaChoice, the state's leading authority on small-group (employers with 2-50 employees) healthcare benefits, announced today that it has entered into a partnership with State Bank of Howards Grove, also known as HSA Bank, to offer a convenient and reliable way for consumers to open a Health Savings Account.

Health Savings Accounts (HSAs), a key component of the Medicare Reform Act of 2003, provide a tax-free way for individuals to pay for qualified medical expenses such as co-payments, hospital stays, prescription drugs, eyeglasses, x-rays and more. Eligible employees and/or their employer may annually contribute tax-deductible funds up to \$2,600 for individuals and \$5,150 for families. Unused money rolls over each year with the account earning tax-free interest.

While the HSA concept has generated significant interest throughout the business community, there are only a few organizations actually funding HSA accounts. The new relationship between CaliforniaChoice and HSA Bank provides an important outlet for groups to get the health insurance program they desire without delay.

“Many financial institutions have responded with programs that accommodate the new HSA laws,” said CaliforniaChoice President Ron Goldstein. “But few have offered them to their customer base. As part of our well-known commitment to consumer choice, CaliforniaChoice has established this relationship with HSA Bank to immediately get this wonderful opportunity to our customers and broker partners.”

(More)

HSA Bank offers two funding options: 1) an interest-bearing FDIC insured bank account, and 2) a mutual fund account through a partnership with Fiserv Investor Services. The CaliforniaChoice Web site at www.calchoice.com provides visitors with easy-to-read information about the advantages of HSAs and provides options for a visitor to establish a Health Savings Account directly with HSA Bank.

Once the consumer has opened an account, they can go online to view their account summary and account details and access services such as scheduling transactions, stopping payments of checks, ordering checks, printing statements and other personalized banking services. The site is proprietary to CaliforniaChoice and, unlike many other sites, does not force ads, links or pop-ups on the consumer. “Our site is for people who already have coverage through a trusted insurance broker and simply need a credible place to open their HSA,” says Goldstein.

CaliforniaChoice already offers a low-cost, high-deductible health plan that is HSA qualified. This consumer-direct CaliforniaChoice PPO 2400 features the highly regarded Blue Shield PPO network – the state’s most extensive physician network. “A Health Savings Account is a wonderful benefit that provides a very real way to impact any person’s out-of-pocket healthcare spending,” said Goldstein.

CaliforniaChoice is a CHOICE Administrators program, the state’s leading developer and administrator of consumer-choice exchange models. Based in Orange, California, CaliforniaChoice currently delivers health coverage to over 150,000 members at more than 10,000 employer groups with 2-50 employees with six premier health plans participating. In 2002, the Health Insurance Association of America honored CaliforniaChoice with its prestigious “Innovators Award,” an annual recognition for a select company whose contributions have led to “true industry advancement.” Further information on CaliforniaChoice may be obtained at www.calchoice.com.

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