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INSIDE CONSUMER-DIRECTED CARE

News and Analysis of Benefit Design, Contracts, HSAs, Market Strategies and Financial Results

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Benefits Consultants Expect Strong CDH Growth in 2008, *ICDC*/ISCEBS Study Finds

Even if Democrats win back control of the White House next year and retain control of Congress, consumer-directed health (CDH) will remain a popular strategy among employers, according to a national survey of employee benefits consultants conducted by *ICDC* and the International Society of Certified Employee Benefits Specialists (ISCEBS). The 45 consultants who completed the October survey collectively represent 11,395 employers throughout the U.S.

Just 19% of responding employee benefits consultants thought that a Democrat in the White House would cause CDH to lose popularity among employers (see chart, p. 7), while 40% said CDH will continue to see strong and steady growth regardless of who wins the election next November. "The language used may not be that of CDH, but the tactic of getting folks more involved and informed around their health…will certainly be part of any sustainable new health care strategy — Democratic, Republican or otherwise," says Alexander Domaszewicz, a benefits consultant in the Newport Beach, Calif., office of Mercer Health and Benefits, LLC.

With an estimated 12 million lives now covered by an account-based health plan, benefits consultants agree that it would be difficult for any administration to reverse

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After Year-Long Pilot, Blue Healthcare Bank Says It Is Ready to Compete for HSAs

Industry observers say 2008 could be a pivotal year for Blue Healthcare Bank, which spent much of this year piloting its health account services with four Blues plans.

As a licensee of the Blue Cross and Blue Shield Association (BCBSA), the financial firm is well positioned to take on national and regional health account administrators, says Carlton Doty, senior analyst at Forrester Research, Inc. in Cambridge, Mass. To realize its potential, however, Doty says the fledgling bank must be able to not only leverage BCBSA's BlueCard infrastructure but also expand upon it, and move toward "a national Blue connectivity network that is consumer friendly and provider friendly," he tells *ICDC*. The bank also will need to convince consumers that it is a better option for their HSAs than is a more established financial firm.

"Given how late [Blue Healthcare Bank] is to the game, I think they have an uphill battle," Doty says. However, if the bank can realize its potential, it could go from being "just another option" for Blues plans to "the best option" for Blues plans.

Last February, the U.S. Treasury Office of Thrift Supervision awarded a federal savings bank (FSB) charter to Blue Healthcare Services (*ICDC 2/23/07, p. 2*). The approved charter allows Blue Healthcare Bank to administer HSAs, health reimbursement arrangements (HRAs) and flexible savings accounts (FSAs) in all 50 states. BCBSA originally envisioned opening an industrial loan corporation (ILC). But that approach was put on hold after applications by retailers such as Wal-Mart Stores, Inc.

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and Home Depot, Inc. prompted the Federal Deposit Insurance Corp. to place a moratorium on applications for ILCs owned by retailers and other commercial entities.

$500 Million by 2010, Bank Says

By the end of 2010, Blue Healthcare Bank will hold $500 million in HSA assets, predicts President and CEO Robert Gross. *ICDC* estimates that would translate to about 377,000 accounts. As of July 1, the average HSA balance was $1,327 (*ICDC 8/24/07, p. 1*). Collectively about 1.67 million lives are covered by a Blues high-deductible health plan (HDHP) that is qualified to work with an HSA (*ICDC 8/8/07, p. 1*). A typical HDHP covers 2.2 lives. Between 65% and 70% of eligible HDHP policy holders actually open an HSA.

While nearly every Blues plan has already partnered with at least one financial firm to administer HSAs, Gross says he's optimistic his bank will eventually become the principal banking partner for many Blues plans. "Unlike other banks, we're not worried about making automobile loans or worried about write-downs in our sub-prime mortgage market," Gross tells *ICDC*. The bank, he adds, has "an aggressive schedule" for adding more member plans over the next several months. By Jan. 1, more than a dozen Blues plans will make the new bank available to their clients. The pilot period, Gross adds, "sharpened everyone's instincts in terms of what information is needed up front and how to make the process run smoothly. The pilot plans were Blue Cross Blue Shield of Michigan, Arkansas Blue Cross Blue Shield, Blue Cross of Idaho and BlueCross BlueShield of South Carolina (BCBSSC). From those four plans, we learned about marketing, operational issues and engagement issues."

BCBSSC has an existing partnership with HSA Bank. While the two banks are evenly matched, BCBSSC spokesperson Elizabeth Hammond says her firm is working with Blue Healthcare Bank to "more closely integrate" its health plans with HSAs.

Jill Kelly, senior vice president at The Bancorp Bank, which has partnerships with at least four Blues plans, says she expects to see increased competition from Blue Healthcare Bank as well as from regional banks in 2008. Kirk Hoewich, president of HSA Bank, which has partnerships with at least seven Blues plans, agrees, and adds, "We anticipate seeing [Bank of America] and the Blues bank making a larger impact in the coming year."

HSA Banking Market Could Contract

Terry Cooney, chief marketing officer for Blue Healthcare Bank, says he expects that the ever-expanding number of local banks and credit unions entering the HSA market will begin to contract within the next couple of years. Because health account revenue is derived primarily from fees, he explains, small financial firms won't have enough business to build and maintain the infrastructure needed to support the accounts.

"This tremendous expansion may turn into tremendous retraction," he explains. "It's going to require a lot of capital investment. But we're well positioned to play in this market." Cooney notes that the 33 member Blues plans collectively insure 88 million lives.

"Banks are interested in building relationships with customers so they want to offer a smorgasbord of products. And right now, HSAs are an easy product to offer," Gross adds. "But as we move into an arena where the health care experience requires more integrated services, niche players like us will make their mark, and smaller players will leave the market."

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Publicly Traded MCOs Report Big Third-Quarter Gains in CDH

Publicly traded health insurers continue to report strong third-quarter growth in their account-based health plans.

UnitedHealth Group, the nation's largest seller of account-based health plans, says 2.28 million lives were covered by a CDH plan as of Sept. 30 — up 437,000 lives (24%) from a year earlier.

Much of the enrollment growth over the past year has come from small and mid-sized employers, says spokesperson Daryl Richard. CDH now represents 10% of United's commercial enrollment, he says, adding that 40% of United's large national clients offer a CDH plan. Overall, 22,000 of United's employer clients now offer a CDH plan, the company says.

WellPoint, Inc. ended the third quarter of 2007 with 1.3 million lives covered by a CDH plan — up 58% from the end of the third quarter a year ago. At the end of the fourth quarter of 2006, WellPoint had approximately 821,000 CDH plan enrollees — up from 507,000 at year-end 2005. WellPoint declines to break out its CDH enrollment by plan type.

Aetna, Inc. inched closer to joining the million-member club. As of Sept. 30, the health insurer said 910,000 lives were covered by its CDH plans. Health reimbursement arrangement (HRA)-based plans continue to be Aetna's most dominant form of CDH with 617,000 members — up from 471,000 at the end of 2006. The insurer said another 293,000 lives were covered by an HSA-qualified plan — up from 156,000 at the end of 2006.

CIGNA Corp. said it ended the third quarter of the year with 580,000 lives covered by its CDH plans — up from 250,000 a year before. Enrollment in its HRA-based plans increased 200% from a year ago to 480,000. And enrollment in its HSA-based plans jumped from 40,000 last year to 100,000 as of Sept. 30, 2007.

The Hartford (Conn.) *Courant* reported Nov. 3 that CIGNA "is working toward a possible deal" to acquire Colorado-based ***Great-West Healthcare***. CIGNA spokesperson Joe Mondy declined to comment on the report, saying "we don't comment on speculation or rumors."

As of July 1, 2007, Great-West said about 25,000 lives were covered by an HSA-qualified plan, and 14,300 members were covered by an HRA-based plan. Great-West has 2.2 million members.

In its third-quarter earnings call, ***Humana Inc.*** said enrollment in its CDH products increased 27% from the same date a year ago. As of Sept. 30, the insurer said 551,000 lives were covered by its CDH products — up from 433,000 on Sept. 30, 2006. The vast majority of Humana's CDH members are covered by a SmartSuite product, which combines account-based options with more traditional health plans. As of Jan. 1, 2007, Humana said 59,500 lives were covered by an HRA-based plan, and another 82,300 were enrolled in an HSA-qualified plan. The company said 275,400 were covered by SmartSuite.

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Health Debit-Card Work Group To Publish Transaction Standards

Within the next month, a health debit-card group expects to incorporate, elect a chairman and publish voluntary industry standards to meet upcoming transaction requirements for health care purchases.

As of Jan. 1, 2008, debit cards tied to a health reimbursement arrangement (HRA) and/or to a flexible spending account (FSA) can be used only at non-health care-related locations (e.g., retail and grocery stores) and at online pharmacies that have implemented an Inventory Information Approval System (IIAS). The rules do not apply to HSAs.

The mission of the IIAS Standards Interest Group is to develop common standards for the operation of an IIAS. Without such standards, merchants, debit-card vendors and credit-card processors would need to drastically alter their systems to accept a wide variety of IIAS formats. The group is intended to become the governing body for what is expected to become the industry standard, says Julie Wegmiller, process owner, strategic initiatives at Minneapolis-based Target Corp. one of the founding members of the group.

"As a merchant, we were concerned that we might not have enough time before the compliance date to alter our systems to accept the hundreds or thousands of different card types out there," says Wegmiller.

"From a system-development aspect, one standard is more cost-effective for everyone. We also wanted to drive simplicity for card holders and store employees to avoid confusion over which cards can be used in our stores."

An IRS revenue ruling issued July 13, 2006 (Notice 2006-69) expanded the scope of a 2003 debit-card guidance that permitted cards to be used to access FSAs and HRAs for qualified medical expenses (*ICDC 7/28/06, p. 1*). The July ruling held that the cards could be used to access the accounts to pay for qualified expenses at "non-health-care" merchants that had an IIAS. An IIAS automatically compares purchases to a list of expenses that qualify under Section 213(d) of the Internal Revenue Code and limits purchases to those items. "Card transactions using this method are fully substantiated without the need or submission of a receipt by the employee for further review," the notice stated.

Wide Adoption Expected

The work group, founded by 21 diverse companies that support health account transactions, came together in 2006 to lobby the IRS for more time to comply with rules related to debit-card purchases. In response, IRS released Notice 2007-2, which provided "transition relief" until Dec. 31, 2007.

While compliance with the standards will be voluntary, they are expected to be widely adopted, says Chris Byrd, executive vice president of operations and development at Avon, Conn.-based Evolution Benefits, Inc., another founding member of the work group. The group is expected to publish formalized standards in early 2008. It also will intends to offer a certification program and develop compliance processes.

Nearly one-third of pharmaceuticals purchased in the U.S. are sold through a discount store (e.g., Target., Wal-Mart Stores, Inc.) or supermarket chain, according to Evolution's estimates.

Moreover, discounters and supermarkets typically offer a large selection of over-the-counter items that are eligible for purchase with FSA and HRA dollars. By Jan. 1, 2008, such transactions will be allowed only if the merchant operates an IIAS. And beginning on Jan. 1, 2009, the same IIAS requirement will extend to drugstores such as CVS, Rite-Aid and Walgreens. Because only eligible health expenses can be paid for through a health debit card, merchants must tag all qualified items in their inventory databases so that those items can be easily identified.

Eligibility will need to be validated either by the merchant at the point of sale or by the card processor. The only amount that can be authorized and paid for from an HRA or FSA is the amount of the transaction that represents health care-eligible items. Non-eligible expenses can be paid for using another account on the card or through another form of payment within the same transaction.

Here's how it would work: The customer swipes a debit card at a retail outlet. The retailer's system reads the card and automatically determines that an IIAS-required card is being used.

The qualified health item amount is totaled separately from other purchases. The merchant's system then electronically submits the eligible amount and receives the authorized amount at the point of sale. To the front-end user, the process will appear seamless, and the user won't have to identify the card up front or determine which items are eligible, Wegmiller explains.

Once merchants that sell pharmaceuticals are compliant with the new standard, auto-substantiation rates will soar, and health plans will have far fewer paper receipts to review. Wegmiller says IIAS could mean an end to "after-the-fact paper receipt submission, eligibility surprises, receipt review." Byrd agrees and says, "I have already gone out of my way to shop at Wal-Mart and Walgreens (both IIAS compliant) because I know I don't have to send in the receipt" for pharmacy purchases.

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Fiserv to Focus on Health Banking After Acquisition by UnitedHealth

UnitedHealth Group says its proposed $775 million acquisition of Fiserv, Inc.'s health-related businesses will likely be finalized in the first quarter of 2008. But Fiserv says it will continue to keep its hand in the CDH market through its CareGain subsidiary, which provides the administrative services for HSAs, health reimbursement arrangements (HRAs) and flexible spending accounts (FSAs).

Fiserv, a publicly traded company, says it has more than 16,000 clients worldwide, including banks, credit unions, financial planners/investment advisers, insurance companies and self-insured employers. It acquired CareGain in January 2006 (*ICDC 1/13/06, p. 7).*

Mark Damico, group president of Fiserv's new Insurance and Health Care Banking division, tells *ICDC* that the CareGain platform acts as the "central nervous system" for accounts that are tied to a health plan. Blue Healthcare Bank, for example, uses the platform to administer health accounts and to integrate those accounts with health plans offered through participating Blues subsidiaries (see story, p. 1). "CareGain essentially is the back office of Blue Healthcare Bank," Damico says.

While Fiserv uses CareGain's software to administer health accounts for its clients, it also sells the platform to health insurers, third-party administrators (TPAs) and banks that administer HSAs, FSAs or HRAs.

The pending acquisition, which was announced Nov. 2, includes Fiserv Health, a third-party administrator [TPA] of medical benefits; Avidyn Health, a care facilitation business; and the Fiserv Health Specialty Solutions businesses (which include J.W. Hutton, a subrogation and overpayment recovery organization, and ppoONE, a claim repricing and data management service). Fiserv Health's pharmacy benefits management business Innoviant would also be part of the transaction deal.

Fiserv Health provides administrative services to an estimated 2 million individuals and will "significantly strengthen and enhance the scale and scope of UnitedHealthcare's customized benefit service offerings," United said in a prepared statement. United spokesperson Daryl Richard adds that the acquisition will make it easier to customize benefit plans for employers of all sizes.

"Our TPA businesses didn't fit our model because we don't have a health [provider] network," Damico says. "We had to rent a network. Health care banking however, we think, has terrific growth potential."

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'Destiny' of South African CDH Subsidiary to Be Determined

Discovery Holdings, Ltd., the South African parent company of Destiny Health, will soon announce the "strategic direction" of the Chicago-based subsidiary, according to a recent statement published on the South African Stock Exchange News Service. Destiny, which has undergone several leadership changes over the past four years, has struggled financially since its U.S. operations began in 2000.

Several Discovery officials, including Chief Executive Adrian Gore, attended Destiny's board meeting in Chicago in early November, *ICDC* has learned. Details of that meeting were not available.

In September, Discovery told shareholders that it would release the results of a "strategic review" of Destiny Health on Oct. 15. The review focused on the delivery of Destiny's CDH and wellness programs "through more efficient and cost-effective means," Destiny President and CEO Art Carlos tells *ICDC*. He declined to elaborate. As of press time, Discovery had not disclosed the results of the meeting or its "preferred alternative" for the future of Destiny.

In an interview with *ICDC* in August, Stuart Slutsky, Destiny's vice president of technical marketing, said his company was shifting corporate focus to place greater emphasis on its incentive-based wellness programs.

Carlos says his firm has made its Vitality program available as a stand-alone product to self-funded employers. Vitality, a rewards-based wellness program, had previously been available only as a feature of Destiny's CDH plans. We "have signed on a number of organizations for implementation effective Jan. 1, 2008, and later, he says.

Much of Destiny's infrastructure was relocated to South Africa two years ago where economies of scale make it far more cost effective.

Destiny ended its fiscal year on June 30 with a loss of $14.1 million (102 million rand). In an article published by *AllAfrica*, a South African business news service, Gore called Destiny's performance "disappointing." Some investors have called on Discovery to leave the U.S. market to stem further losses, the news service reported.

Destiny opened its doors just as the concept of account-based health coverage was beginning to pick up steam in the U.S. The concept had already proven successful in South Africa's private insurance market. At the time, Gore predicted it would take Destiny three years to break even.

Visit Destiny at www.destinyhealth.com. ✧

Most Employers See CDH as Long-Term Solution

What Do Your Employer Clients Most Hope to Achieve Through CDH?	Not Important at All	Somewhat Important	Moderately Important	Very Important	Extremely Important
Short-Term Cost Control	5%	18%	30%	27%	20%
Improve Employee Health and Productivity	5%	20%	30%	45%	0%
Long-Term Cost Control	0%	0%	7%	39%	55%
Reduce Administrative Costs	25%	45%	27%	2%	0%

*Respondents were asked to rate the importance of each item on a scale of 1 to 5.
SOURCE AND METHODOLOGY: Based on survey responses from 45 employee benefits consultants and compiled by *ICDC* and ISCEBS, November 2007

Study: CDH Is Becoming Mainstream

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the course. And enrollment in the plans will climb even higher in 2008 as more employers make them available.

"Now that we are seven years into the CDH movement, I think we are starting to finally turn the corner," says Bill Sharon, CEBS, senior vice president in the Tampa, Fla., office of Aon Consulting. "There is a growing consensus that [CDH] is effective in reducing the rate of long-term health care cost increases. [This strategy] is moving into the mainstream and is no longer just for the early adopters."

10% of Jumbos to Have Full Replacements

Responding consultants said 41% of jumbo employers (more than 10,000 employees) will offer employees a health reimbursement arrangement (HRA)-based plan for 2008 — up from 35% a year ago (*ICDC 10/27/06, p. 1*). Twenty-six percent of jumbo employers will offer a health savings account (HSA)-qualified plan for 2008, and 11% are expected to offer both types of CDH plans. More than 10% of jumbo employers will offer only account-based plans in 2008 — up from 6.9% a year ago.

"I'm not surprised that HRA-based plans remain most popular among large employers, and they'll likely always be more appealing to the larger employers" than HSA-based plans, says Jay Savan, CEBS, a benefits consultant in the St. Louis office of Towers Perrin. "But I also expect HSAs to secure more and more attention in the large-employer market. That has been my personal experience, and it is borne out in this survey data."

Few Employers Drop CDH

Among small employers (those with fewer than 500 employees) that offered a CDH option in the past, less than 1% have gone back to more traditional coverage, responding consultants say. Survey respondents also noted that none of their large or jumbo employer clients will eliminate an existing CDH plan for 2008.

Benefits consultants say HSA-qualified plans continue to be most popular with their smallest employer clients (fewer than 500 employees). In 2008, survey respondents predicted that 7% of their smallest clients would offer an HSA-qualified plan and 6% would offer an HRA-based plan.

ISCEBS President-Elect Philip Grisafi, CEBS, says many of his clients with fewer than 500 employees have replaced their more traditional plans with HSA-based plans.

"In all cases, the employers have seen enough of a premium differential to offer an HSA subsidy to employees," he says. "I tell my clients that although they might see a first-year dip in premiums, that [cost] is not the primary reason to move to a CDH plan. They must also be willing to engage their employees through education on how to be smart consumers of health care services."

Gordon Rains, president of The Rains Group in Bingham Farms, Mich., says his clients (which range in size from 25 employees to 10,000) "are migrating to consumer-driven plans at an increasing pace." About 18% of those employers now offer a CDH plan, and more than half of those are full-replacement strategies, he tells *ICDC*.

Premiums, Education Seen as CDH Barriers

The price difference between CDH plans and more traditional forms of coverage isn't enough to convince employers to offer the plans or to convince employees to enroll, benefits consultants report. When asked to name

Employers Want Low HSA Fees, *ICDC*/ISCEBS Study Finds

Fees charged to maintain and administer accounts constitute the top criterion employers use when selecting an HSA administrator, according to a survey of employee benefits consultants conducted in October by *ICDC* and the International Society of Certified Employee Benefits Specialists (see story, p. 1). Financial firms need to offer "affordable fees without penalties for minimum balances," wrote one respondent.

While 35% of survey respondents said fees were the most important criterion employers use when selecting an HSA administrator, 26% said a financial firm's ability to integrate with the health insurer and to process claims accurately was most critical. About 22% of survey respondents said their clients based their decisions on the administrator's experience and reputation.

Large Employers Are Most Likely To Fund HSAs

Number of Employees	% of Employers That Offered an HSA Contribution in 2006	% of Employers That Offered an HSA Contribution in 2007	% of Employers That Will Offer an HSA Contribution in 2008
Fewer Than 500	61.7%	61.5%	62.4%
500 to 2,500	50.0%	46.0%	56.2%
2,501 to 10,000	54.0%	71.1%	77.7%
More than 10,000	40.6%	81.4%	85.7%

SOURCE AND METHODOLOGY: Based on survey responses from 45 employee benefits consultants and compiled by *ICDC* and ISCEBS, November 2007

the biggest impediment to CDH adoption, one consultant said the difference in premiums between an HSA-based plan and a copayment-based plan with a high deductible "was not significant enough to warrant the administrative, legal and communication burden associated with HSAs." Another respondent complained that health plan underwriters had not reduced high-deductible health plan (HDHP) premium rates enough to compel employers to offer them.

According to results of the *2008 Towers Perrin Health Care Cost Survey*, employers spend an average of $9,312 per employee on health coverage. "They are no worse off providing an average health plan subsidy of $8,812 and an average HSA contribution of $500," Savan notes. "Either way, they're committing to the same expenditure, and the latter approach — properly designed, supported and communicated — is beginning to demonstrate itself a more effective health and cost management approach."

Other respondents cited the complexities of the HSA rules as a major barrier and said the tax benefits of HSAs are difficult for employers and employees to understand. Several consultants said that requiring the cost of prescription drugs to be included in the deductible for HSA-based plans is a major hurdle. And other respondents said the threat of an illness early in the year — before an HSA balance is built up — often keeps employees from enrolling in an HDHP.

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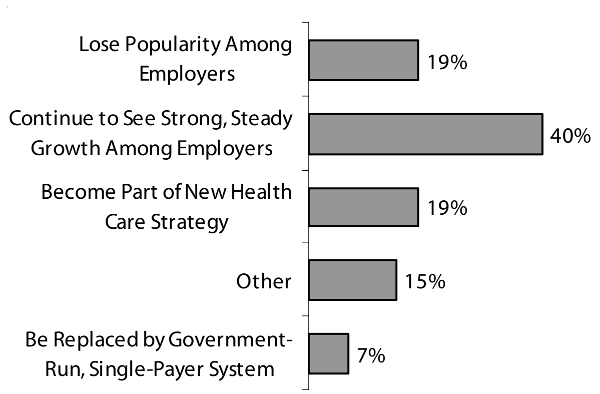
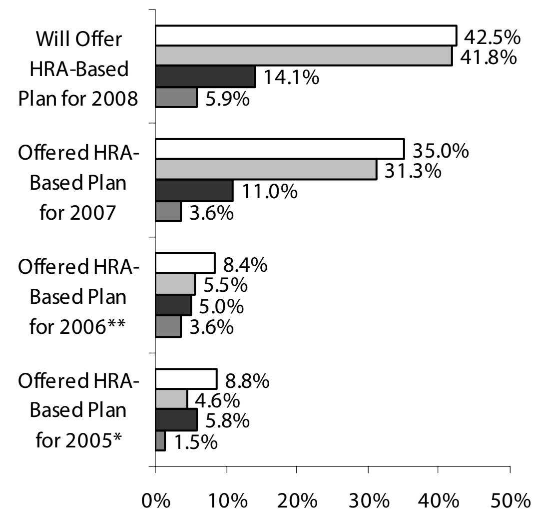
If the Democrats Regain Control of The White House in 2008, CDH Will:

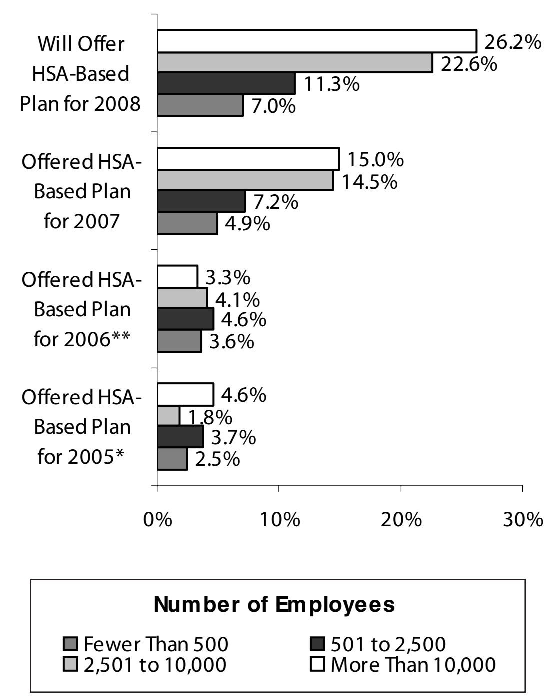


SOURCE AND METHODOLOGY: Based on survey responses from 45 employee benefits consultants and compiled by *ICDC* and ISCEBS, November 2007

HRA-Based Plans Remain Most Popular Among Jumbo Employers



HSA Plans Gain Popularity Among Small Employers



*Based on 2005 survey results

** Based on 2006 survey results

SOURCE AND METHODOLOGY: Based on survey responses from 45 employee benefits consultants and compiled by *ICDC* and ISCEBS, November 2007

INDUSTRY NEWS

◆ **In an effort to make its CDH products more affordable to employers, The Principal Financial Group says it will pay setup fees for HSAs that are sold in conjunction with a Principal high-deductible health plan (HDHP).** It also will cover monthly fees for health reimbursement arrangements (HRAs) for one policy year if the plan is established before Jan. 31. If the HRA is sold with an extended rate guarantee, the monthly fee waiver can be extended to a maximum of 15 months. For more information, visit www.principal.com/health/hsa.htm.

◆ **Optima Health, Inc., a regional not-for-profit health plan based in Virginia Beach, Va., said Nov. 7 that it has made an "enhanced CDH product" available to its customers.** The new health plan pairs an HSA with an HDHP. Optima says it partnered with HealthEquity, Inc., an HSA administrator based in Salt Lake City. HealthEquity's platform includes client advisory services, self-diagnostic tools, pharmaceutical price comparisons, 24-hour customer service, and out-of-network bill review and negotiation. Optima says it has 340,000 members throughout Virginia. Visit Optima at www.optimahealth.com and HealthEquity at www.healthequity.com.

◆ **Highmark Inc. says its new Healthcare Visa Gift Card gives consumers and recipients a new way to cover out-of-pocket expenses related to maintaining personal health and wellness.** The card can be used for a variety of purchases, including doctor-visit copayments, prescriptions, vision care, dental care, health club memberships and elective procedures. The use of the card is limited to health and wellness merchants that accept Visa debit cards. The new card, which can be bought in amounts ranging from $25 to $5,000, is available for purchase at the Healthcare Gift Card Web site, www.givewell.com.

◆ **CDH software vendor Connextions, Inc. says it has partnered with state and local officials in Jeffersonville, Ind., to establish a new CDH "customer care facility."** The operation will serve health insurers that offer, or intend to offer, CDH products. When fully operational, Connextions says, its Jeffersonville facility will support more than 750 jobs, including customer care professionals, licensed insurance agents, registered nurses and technology specialists. Visit Connextions at www.connextions.com.

◆ **Former White House Health Policy Advisor Roy Ramthun, now president of HSA Consulting Services, tells *ICDC* that he has completed an HSA guide for consumers.** Ramthun, who co-wrote much of the early HSA guidance while working at the Treasury Dept., says the free Web guide will be updated at least annually when changes in HSA contribution amounts are announced. The guide is available at www.hsaed.com.

◆ **Doclopedia, which bills itself an "online health care organizer and marketplace," says it has partnered with HSAeducator.com, an informational Web site that promotes CDH.** Doclopedia says the two groups will work together to educate the public about HSAs. By signing up for a free account at www.doclopedia.com, the firm says HSA owners can input expenses related to doctor visits, prescriptions, diagnostic tests, and durable goods into their account. The information is stored and cataloged by health care provider, IRS category, and medical diagnosis. HSAeducator.com helps consumers, employers, and health insurance agents learn more about HSAs and HDHPs. The firm also facilitates a forum where consumers can talk about their HSA experiences.

◆ **Excellus BlueCross BlueShield's new HealthyBlue product allows members to earn up to $500 for making healthier lifestyle choices.** According to the company, the offering is among the first such products in New York state and will be available to new members starting Jan. 1, 2008. HealthyBlue members who perform certain health-related tasks can earn cash, Visa gift cards and health-related merchandise, Excellus says. Credits are awarded for scheduling regular checkups, eating healthy foods and staying active. Under the plan, adult members and their spouses or domestic partners each can earn up to $500 for a combined total of $1,000 per year. There are three product options: HealthyBlue Copay Option, HealthyBlue Copay & Deductible Option and the HealthyBlue HSA Option. Excellus' sister plan, Univera, launched a similar product under the moniker ActiveUnivera. Both insurers are owned by The Lifetime Healthcare Companies. Call Excellus spokesperson Jim Redmond at (585) 238-4579.