

SUMMARY OF BENEFITS FOR MONTHLY CONTRIBUTIONS

VEBA I HEALTH REIMBURSEMENT PLAN

Why participate in VEBA I?	Tax savings on contributions, tax-free earnings, and tax-free reimbursements. Plus, to create a tax-free fund to pay for the high cost of health care pre or post-retirement. Current estimates indicate the cost of post-retirement medical and dental care for a couple retiring now, at age 60, is over \$250,000.
What does VEBA I do?	Reimburses health care costs such as monthly premiums and qualified out-of-pocket expenses.
How do I participate?	Must be set up through your employer/employee group.
What are the VEBA I funding sources?	A) Group salary reductions or contributions in lieu of salary increases (flat dollar amount or percent of salary). B) Optional benefit dollars after pooling (K-12 only).
I already have a VEBA account, won't it be enough?	No. The average VEBA contribution at retirement is only \$6,000.

VEBA I GROWTH EXAMPLE:

Starting Age	Monthly Contribution	Balance At Age 65 @ 5% Growth
25	\$100	\$152,602
35	\$100	\$83,226
45	\$100	\$41,103
55	\$100	\$15,528

HOW MUCH SHOULD I CONTRIBUTE?

Try starting with at least 2% of salary or \$100 per month. Remember, you can use your VEBA account for non-covered health care expenses right away. With increasing co-payments and deductibles, plus premium increases at 10% or more each year, this tax-free VEBA account is the best way to put more dollars in your pocket - whether you are retiring soon - or in 30 years.

USE YOUR VEBA I ACCOUNT TO PAY QUALIFIED HEALTH CARE COSTS

Qualified out-of-pocket health care costs for yourself, your spouse and/or your IRS dependents are eligible for tax-free reimbursement from your VEBA I account.

CLAIMS PAYMENT

Claims payment is efficient and hassle free. Claims are paid daily by the VEBA Plan Administrator and direct deposit is available. You may submit a VEBA Medical Claim Form at any time for qualified expenses incurred after your VEBA I account is opened. You may also have your monthly insurance premiums paid automatically by using the VEBA Systematic Payment Form.

DEATH BENEFIT

If you are survived by a spouse or dependent children (or other dependents as defined by the IRS), they may submit requests for medical expense reimbursements until your account is used up. If you have no eligible dependent(s), the funds remaining in your account will be paid as medical expense reimbursements to the heir(s) of your estate. Payments to heirs will be taxable.

VEBA INVESTMENTS

- Stable Value Fund
- Balanced Fund
- Growth Fund

ENROLLMENT

The following information assumes your employee group has adopted the VEBA I plan:

When eligible for a contribution, please complete the Membership Enrollment Form attached to the VEBA I Description of Plan Benefits brochure available from your payroll/benefits department. Make sure your completed Membership Enrollment Form is received by your payroll/benefits department prior to any deadline.