

MERS Health Care Savings Program Overview

Wayne County



Retiree Health Care Considerations

Increasing life expectancy

Increasing health care costs

Medicare Part B premiums rising

Not all expenses covered by Medicare

How Health Care Savings Program Works

1

Contributions are deposited

2

Assets are invested

3

After separation, assets are used

Vesting

- 30 years = 100%
- 10 years = 50%

Participants who terminate employment with less than 30 years but at least 10 years of participation in HCSP will get 50% of Wayne Co contributions plus 2-1/2% of Wayne Co contributions for each year exceeding 10, participants with less than 10 years of participation will be 0% vested in County contributions.



Employee Contributions are 100% “vested”

Account Balance by Source

Source▼	Ending Balance	Vested %▼	Balance▼	Ratio▼
+ Employer	\$11,351.07	100.00%	\$11,351.07	70.00%
+ Employee Pre-Tax	\$4,864.68		\$4,864.68	30.00%
Total	\$16,215.75	100.00%	\$16,215.75	100%

MERS Investment Menu

Investing Considerations



Time until Retirement



Comfort with Risk

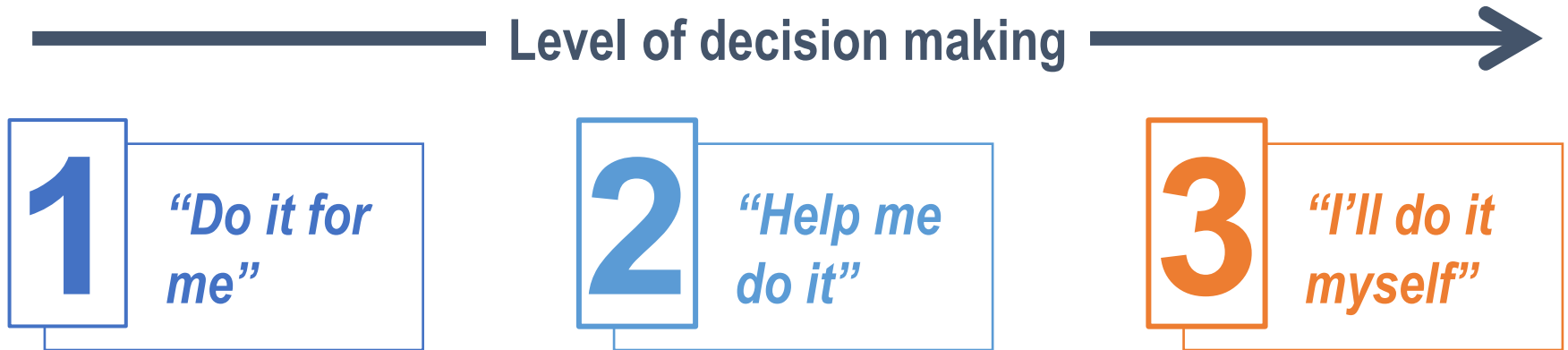


Diversification



Hands-on Control

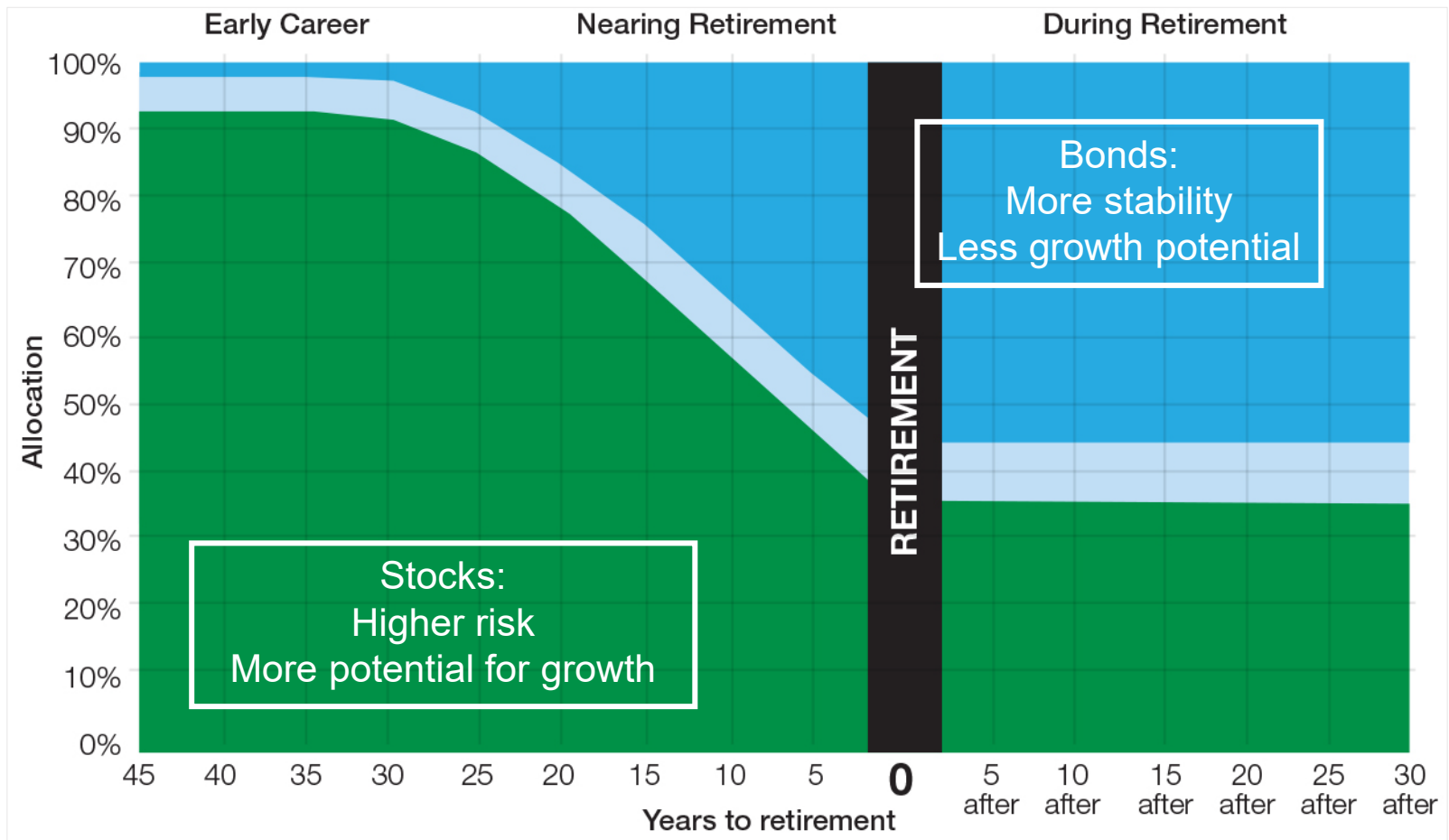
MERS Investment Menu Design



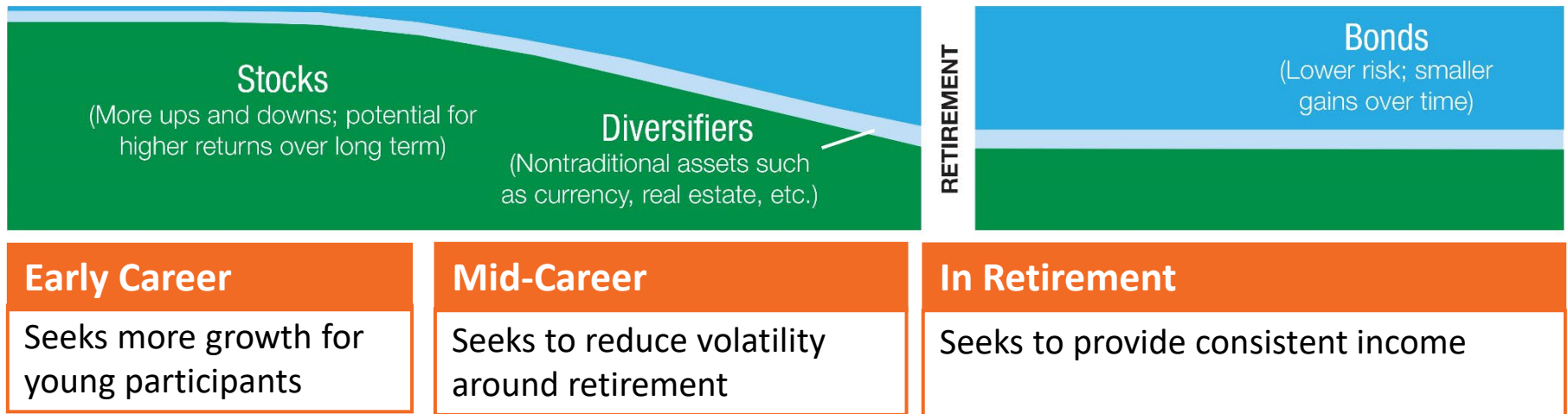
1

“Do it for me”

LifePath Target Date Funds



About LifePath Target Date Funds



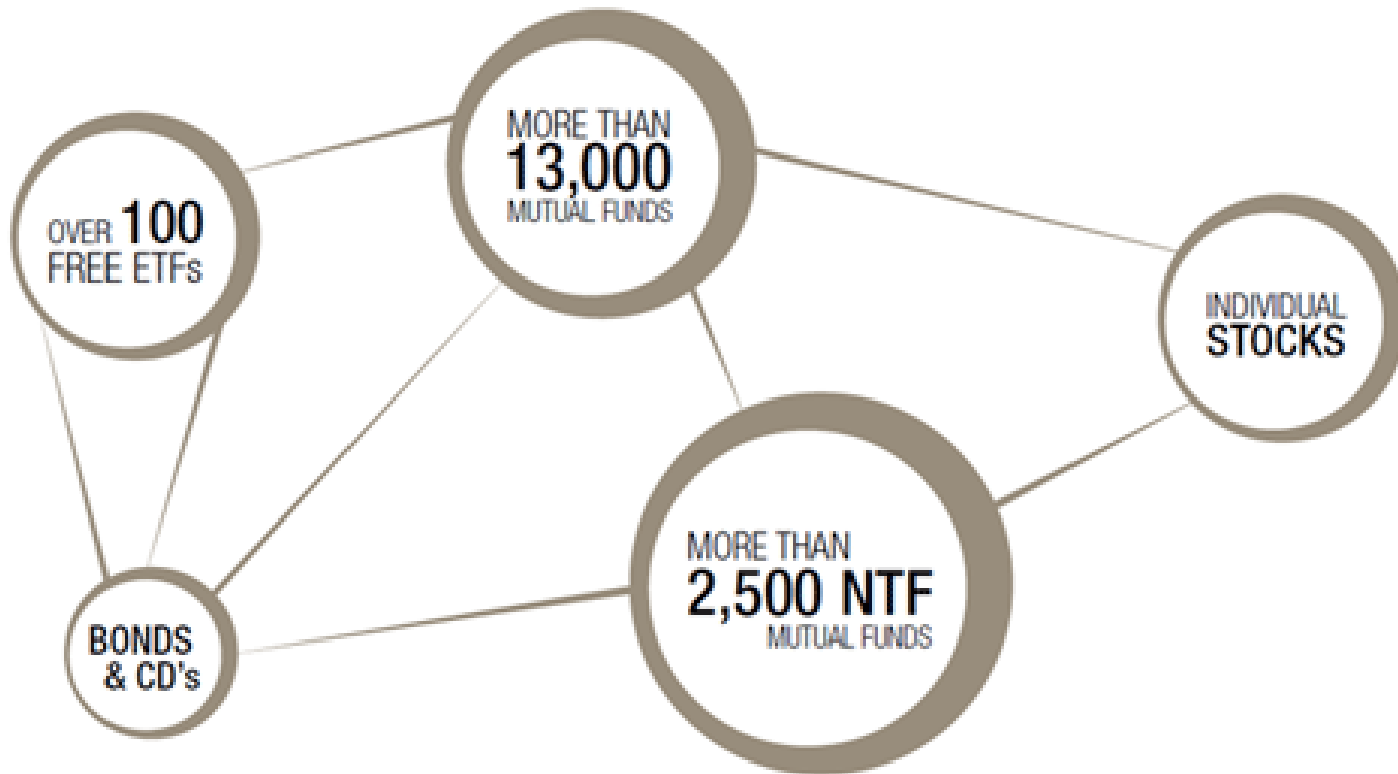
3 *“I’ll do it myself”*

SELF-DIRECTED BROKERAGE ACCOUNT

CHOICE

FLEXIBILITY

CONTROL



2 “Help me do it”

Pre-Built Portfolios and Pre-Selected Funds to Build Your Own Portfolio

Asset Specific Funds

Asset Allocation Portfolios

Total Market
Portfolio

Global Stock
Portfolio

Established
Market
Portfolio

Diversified
Bond Portfolio

Large Cap
Stock Index

Mid Cap
Stock Index

Small Cap
Stock Index

International
Stock Index

Emerging
Market Stock

Real Estate
Stock

Bond Index

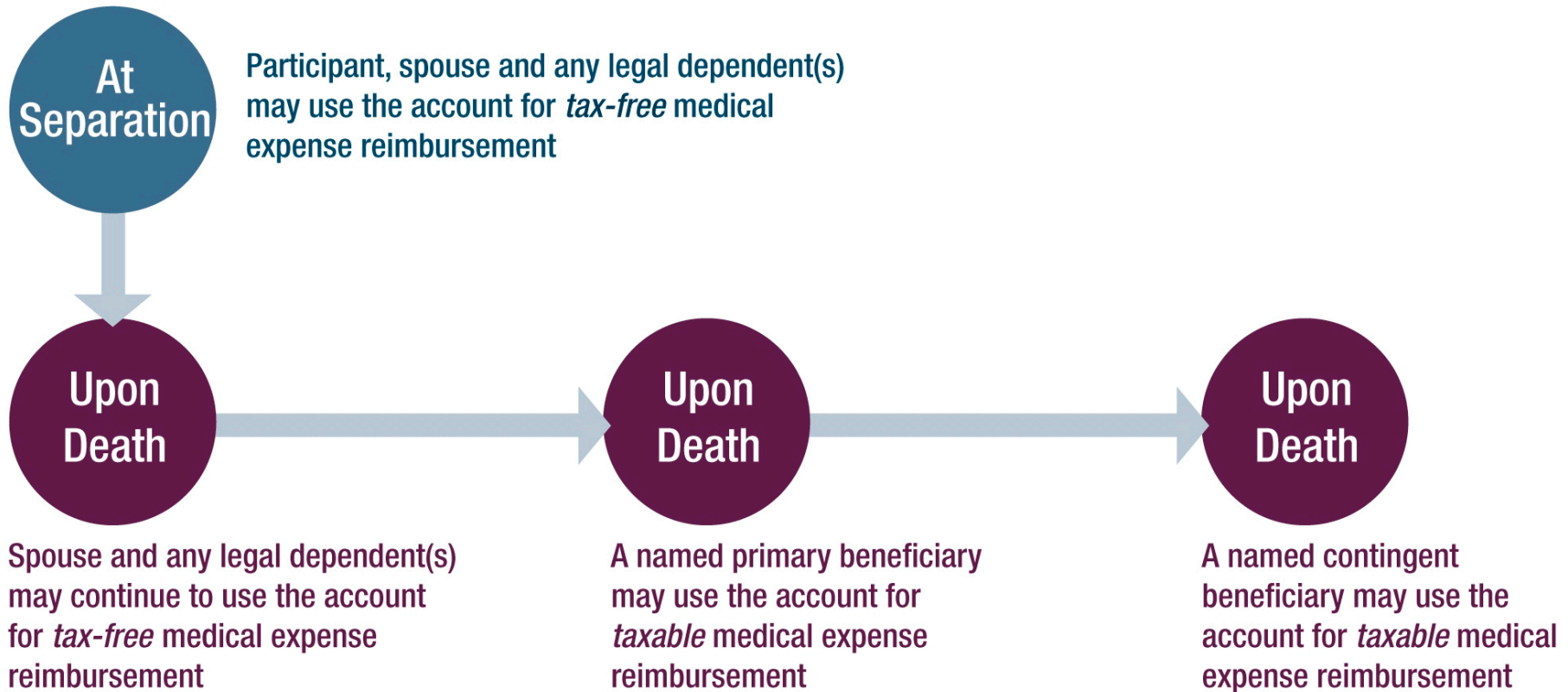
High Yield
Bond

Short-Term
Income

Stable Value

Using your HCSP

Eligibility to use account



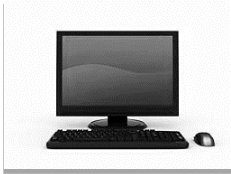
Reimbursement/Payment Options

Four Options:



Health Benefits Debit Card

Best option for paying fixed-price expenses such as prescriptions and co-pays



myMERS Online Account

Best option for paying expenses that can be adjusted after the point of service!



Mobile App



Paper Form



Eligible Expenses

Health Care Savings Program



Reimbursable Health Care Expenses

The following is a list of common reimbursable medical expenses. Please refer to IRS Publication 502 for details. MERS has made every effort to ensure that the information provided is accurate and up to date. Where there are discrepancies between this document and IRS Publication 502, IRS Publication 502 supersedes.

- Acupuncture
- Alcoholism or drug dependency treatment and treatment centers
- Ambulance
- Anesthesiologist
- Artificial limbs and teeth
- Bandages (Band-aids, elastic wrap)
- Birth control pills and devices
- Blood pressure monitoring devices
- Braille books and magazines (to the extent exceeding prices for regular books and magazines)
- Car (with special medical equipment)
- Childbirth preparation classes for mother, excluding portion for mother's coach
- Chiropractor
- Christian Science practitioner
- Clinic
- Co-insurance (health, dental and vision)
- Co-payments (health, dental and vision)
- COBRA premiums
- Cold/hot packs
- Contact lenses, solution and cleaners
- Contraceptives
- Crutches
- Dental treatment, including dentures, implants and orthodontics (excluding whitening)
- Dermatologist
- Diabetic supplies
- Diagnostic devices/services (e.g., MRI, CT Scan)
- Drugs/medications (prescription)
- Eye examination
- Eyeglasses - prescription and reading
- Eye surgery (laser or radial keratotomy)
- Fertility treatments¹
- Guide dog and its upkeep
- Gynecologist
- Hearing aids and batteries
- Home modification to accommodate handicapped person¹
- Hospital services
- Incontinence supplies
- Insulin and diabetic supplies
- Insurance premiums for medical, dental, vision, or long-term care²
- Laboratory fees
- Lactation supplies
- Lip-reading lessons
- Lodging for medical care¹
- Long-term care services and premiums (paid on annual basis)¹
- Mastectomy bras
- Medical supplies
- Medicare Part B, C and D premiums
- Medications which require a prescription
- Mental institution care (mentally ill person unsafe when left alone)
- Mentally handicapped, special home for nursing services¹
- Midwife
- Neurologist
- Nursing care
- Nursing home (if for medical reasons)
- Obstetrician
- Ophthalmologist
- Optometrist
- Organ transplant, medical expenses of donor or prospective donor
- Orthodontics
- Orthopedic shoe inserts
- Osteopath, licensed
- Over-the-counter medications (OTC) (see reverse side for more detail)
- Oxygen equipment, including CPAP
- Pediatrician
- Physical examination
- Physical therapy
- Podiatrist
- Practical nurse
- Pregnancy test kits
- Prescription drugs/medications
- Psychiatrist³
- Psychoanalyst³
- Psychologist²
- Rehydration solution (e.g., Pedialyte)
- Rental of medical equipment¹
- Sex therapist
- Smoking cessation programs
- Special schooling for physically or mentally handicapped
- Speech therapy
- Spousal or personal insurance premiums²
- Sterilization, legal
- Surgery and related treatment (except cosmetic)
- Telephone for hearing impaired
- Television closed caption decoder equipment which displays the audio part of TV programs for hearing impaired
- Therapy received as medical treatment
- Thermometers
- Transportation expenses for essential medical care, including mileage and parking¹
- Tuition at special school for special needs program¹
- Vaccinations
- Vasectomy
- Wheelchair
- Wrist/joint supports
- X-rays

¹ See IRS Publication 502 for guidelines





² Health insurance premiums that are salary-deducted or paid on a pre-tax basis cannot be reimbursed using HCSP funds

³ Must be for medical care only

Examples of Eligible Expenses

- Braces
- Deductibles & Co-pays
- Dental
- Eyeglasses
- Health care premiums*
- Vision

MERS Resources



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MERS' Response to Coronavirus (COVID-19)


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NEW!

MERS IRA

Flexible saving options
for you and your spouse

[Get started today](#)





Account Access

Employers & Participants

[LOG IN](#)

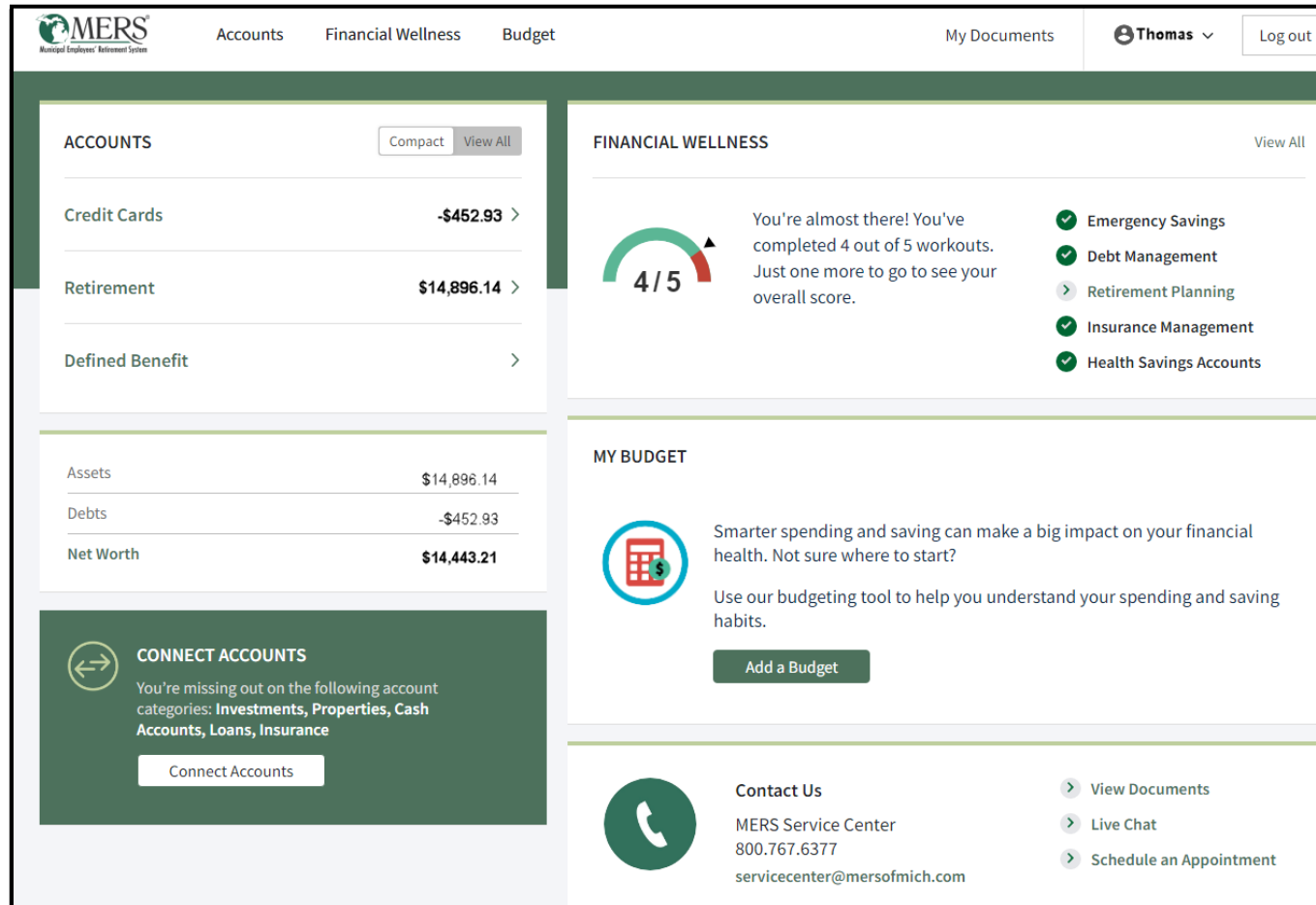
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myMERS Dashboard

Through your myMERS online account you can bring all your financial information together in one place



Locating MERS Plan Information

The screenshot displays the MERS of Michigan website interface. At the top, the navigation bar includes the MERS logo, links for 'Accounts', 'Financial Wellness', and 'Budget', and a user profile section for 'Thomas' with a 'Log out' button. The main content area is titled 'ACCOUNTS' and features a 'Compact' view. The accounts listed are:

Account Type	Balance
Credit Cards	-\$452.93
Retirement	\$25,000.00
HCSP	\$15,000.00
Defined Benefit	

The 'HCSP' row is highlighted in yellow, and a mouse cursor points to it. To the right of the accounts, there is a 'View All' link and a list of services: Emergency Savings, Debt Management, Retirement Planning, Insurance Management, and Health Savings Accounts. At the bottom, there is a 'Budget' section and a 'Contact Us' section with the MERS Service Center phone number (800.767.6377) and email (servicecenter@mersoformich.com). A 'Log out' button is also present in the top right corner.

ACCOUNTS

Compact

Credit Cards

Retirement

HCSP

Defined Benefit

Sample County DC Plan

\$15,000.00

Account Balance

YTD Personal Rate of Return

6.00%

YTD Contributions

\$800.00

Loan Balance

\$0.00

View Plan Summary

View My Personal Rate of Return

Change My Investments

Manage My Beneficiaries

View My Statements

View Loan Center

Edit My Profile

Enroll in IRA

ALLOCATION OF ASSETS

Total Assets

\$15,000.00

2040 Retirement Strategy

\$10,000.00

0.67%

Large Cap Stock Index

\$2,000.00

0.13%

Real Estate Stock

\$2,000.00

0.13%

MERS Total Market Portfolio

\$1,000.00

0.07%

Year to Date Activity

Balance

Beginning Balance

\$14,500.00

Contributions

\$500.00

Cash Earnings

\$0.00

The screenshot shows the myMERS web application interface. At the top, a dark green navigation bar contains links: Pending Activity, Manage Devices, File Upload, My Profile, Resource Library, Logout, and Return to Dashboard. Below this, a user profile bar shows 'Thomas Deering' and an 'Edit My Profile' link. The main content area is titled 'Account Overview' and features several sections: 'Alerts' with a notification about the myMERS app; 'Account Balance' showing \$15,000.00 as of August 22, 2022; 'Highlights' with a banner for 'ENROLL TODAY IN MERS IRA'; 'My Personal Rate Of Return (PRR)' showing 7.12% for a 5-year period; and 'My Outstanding Loan Balance' showing 0 loans and a \$0.00 balance. A left-hand sidebar contains a 'Summary' menu with links to My Balance, My Contributions, Change My Investments, Investment Performance, Loan Center, My Statements, and Distributions. Below this is a 'Resources' section with links to Manage Beneficiaries, Save Account Summary, Retirement Calculators, and Loan Balance. A home icon is visible in the top right of the main content area.

myMERS

Pending Activity Manage Devices File Upload My Profile Resource Library Logout Return to Dashboard

Thomas Deering | Edit My Profile

Account Overview

Alerts [Manage Alerts](#)

The myMERS app is now available. Click here for more information and download details.

Account Balance [See More Details](#)

\$15,000.00

as of August 22, 2022

Highlights

ENROLL TODAY IN MERS IRA

[Click here to get started](#)

[Click Here](#) for MERS IRA Information

My Personal Rate Of Return (PRR)

7.12%

5 Year

[Find Out More About PRR](#)

My Outstanding Loan Balance

Number of Loans: 0

Total Outstanding Balance: \$0.00

[Find Out More About Loans](#)

Summary

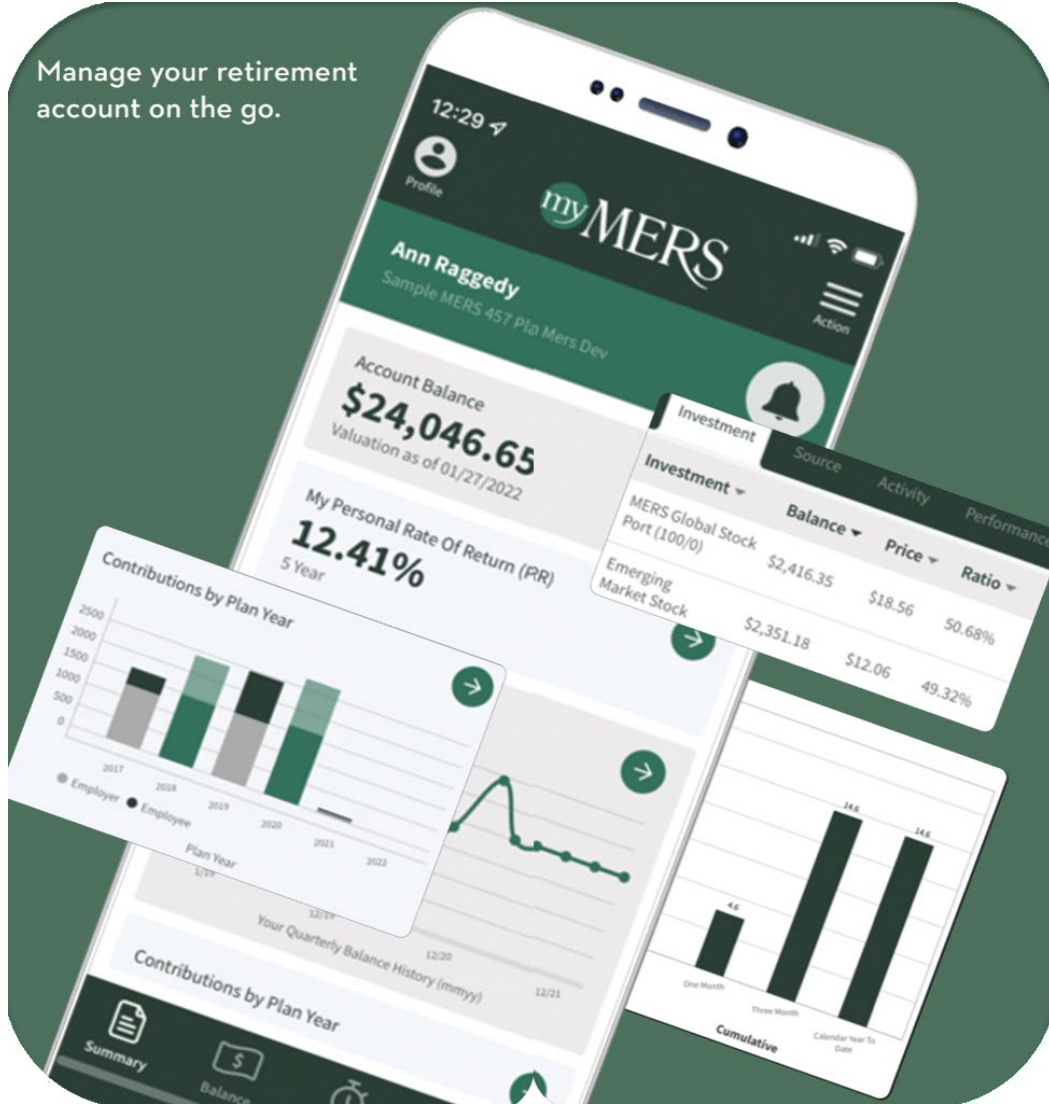
- My Balance
- My Contributions
- Change My Investments
- Investment Performance
- Loan Center
- My Statements
- Distributions

Resources

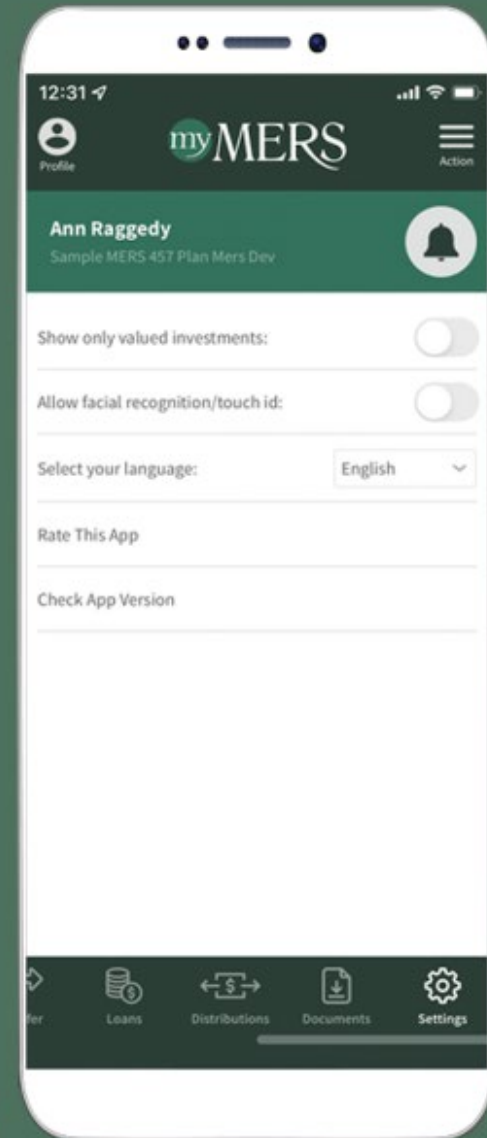
- Manage Beneficiaries
- Save Account Summary
- Retirement Calculators
- Loan Balance

myMERS App

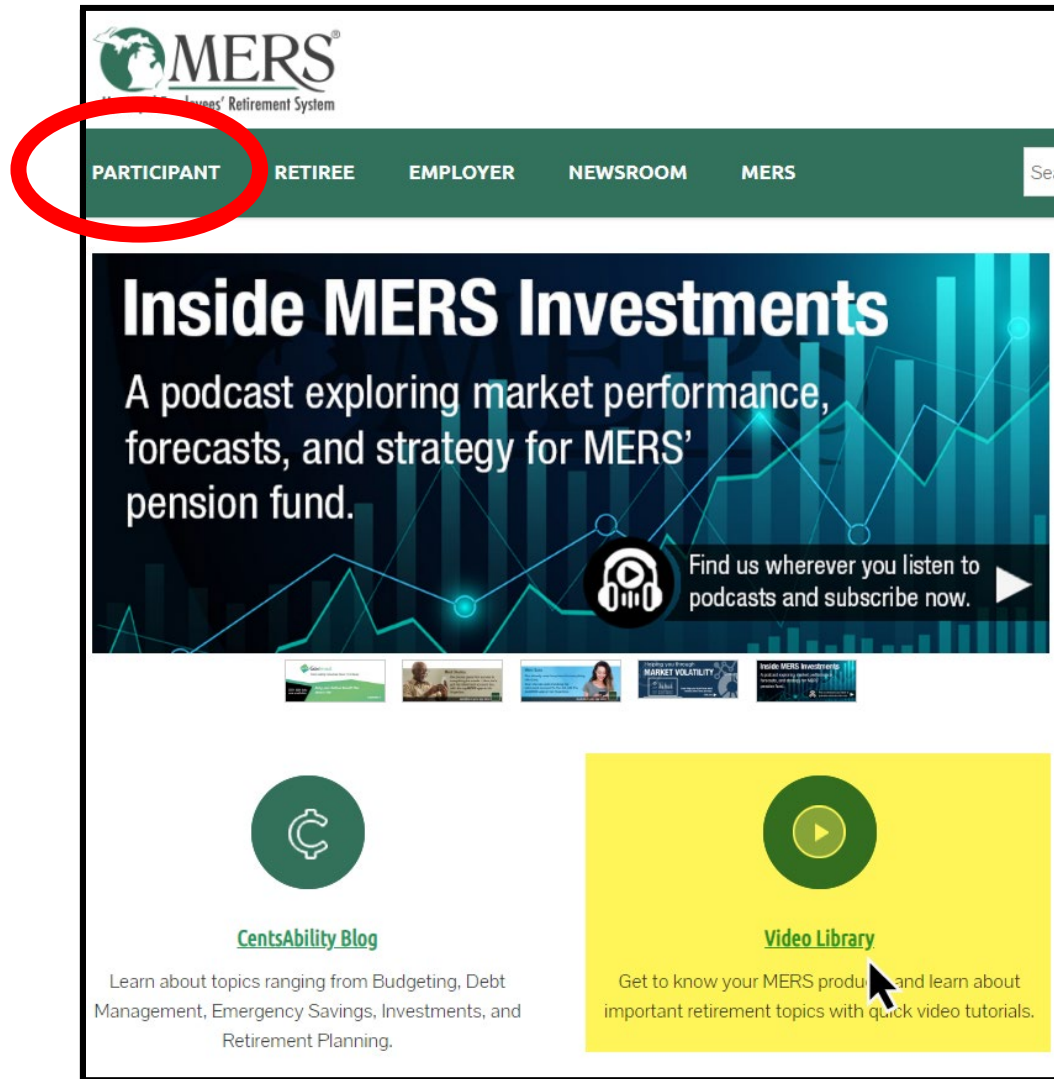
Manage your retirement account on the go.



Log in with facial recognition or touch ID.



Video Library – www.mersofmich.com



MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM

1134 Municipal Way
Lansing, MI 48917

800.767.6377

www.mersofmich.com



This presentation contains a summary description of MERS benefits, policies or procedures. MERS has made every effort to ensure that the information provided is accurate and up to date. Where the publication conflicts with the relevant Plan Document, the Plan Document controls.

Updated April 2023