

Contact: Shawndi Filby

Phone: 515-993-5050

Fax: 515-993-5454

E-mail: shawndi@base105.com

FOR IMMEDIATE RELEASE

BASE® SEES MINIMAL INCREASE IN HEALTH PREMIUMS IN LAST 6 YEARS DUE TO HRA

It's Surprising More Businesses Haven't Implemented This Cost-Containing Employee Benefit

ADEL, IA – June 1, 2010: In 2004, BASE® began administering an HRA for a small business with 38 employees, and has watched as the business has only seen a 6 percent increase in health insurance premiums over the past six years.

Over the past 10 years, premiums have risen 131 percent, and 5 percent in 2009 alone, according to the Kaiser Family Foundation and the Health Research and Educational Trust. With additional increases on the horizon, BASE® will more than likely continue to see a minimal increase in health insurance premiums for small business owners who implement the BASE® HRA+.

While BASE® does not sell insurance, they are able to compliment employee benefit plans no matter who the insurance carrier would be. In most cases, employers implement the BASE® HRA+ and raise their employees' health insurance deductible. However, this type of plan can be utilized without accompanying group health insurance.

An HRA+ allows the employer to reimburse employees for medical expenses such as co-pays, deductibles, eye care, and dental care that are not covered by their current health insurance. This plan allows employees to experience minimal out-of-pocket health care expenses, regardless of their insurance plan or provider. Best of all, reimbursements are nontaxable to the employee and are deductible by the employer. The BASE® HRA+ helps employers reduce health care costs by giving more responsibility to employees regarding the management of their health expenses.

For example, the small business with 38 employees raised their deductible from \$500 to \$2,000. By doing so, this particular small business saw annual employer premiums go from \$239,790 to \$152,449. The annual HRA reimbursement was \$15,248, so after adding that to the annual premium the employer was still able to realize a savings of \$72,043 over the previous year. "With examples like this, it is surprising more businesses aren't using an HRA to keep employee benefit costs down," stated Jessica Reynolds, Director of Finance and HR for BASE®.

The employer is now able to offer a high deductible plan and allocate the savings to the HRA for future employee directed health care. BASE® offers a complimentary benefit analysis to all business owners looking for more information regarding their own situation by calling 1-888-386-9680. They also administer additional employee benefit options, such as a BASE® 125 Cafeteria plan, for employers seeking a way to effectively offset out-of-pocket health care expenses for their employees.

About BASE®

Established in 1999, BASE® is one of the nation's leading employee benefit administrators. BASE® offers a variety of tax savings and benefit plans for small businesses, including the Health Reimbursement Arrangement (HRA) and the 125 Cafeteria Plan which includes a Flexible Spending Account (FSA), Dependent Care Assistance Plan (DCAP), Premium Only Plan (POP), and Health Care Premium Reimbursement (HCPR). To find out more about HRAs and Cafeteria Plans visit www.baseonline.com or contact a Benefit Specialist at 888-386-9680.

###