

Don't just choose the first CDHC solution that comes along.

**Making an informed decision can save
your company serious time and money.**



evolution¹
Simplifying the Business of Healthcare

Maybe you're wondering why you should care which technology platform is used to administer your company's consumer-driven healthcare (CDHC) accounts. After all, it's only software. What can be so different from one technology platform to another?

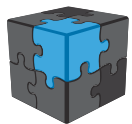
Actually, there can be big differences. Choosing a solution that ensures your company benefits from the industry's leading technology can have significant long-term impacts on your HR staff, employees, and bottom line. Use the checklist below to see how the Evolution1 technology platform delivers value to more than fifty thousand companies like yours. We hope you choose a solution that's powered by Evolution1 technology. Even if you don't, our checklist will help you make an informed decision.

Does your CDHC platform help you increase efficiencies and automate tedious processes?

Lighthouse1:

- Saves IT costs with cloud computing technology
- Integrates and automates processes with Web services
- Eliminates paper, data re-entry, and hassles
- Empowers your employees with self-service options

Although technology has helped automate so many aspects of our lives, many of us tend to accept and even expect tedious, paper-based processes when it comes to the realm of healthcare. You shouldn't settle for status quo when you're choosing a service provider for your company's consumer-directed healthcare accounts.



The Lighthouse1 platform is designed to automate and integrate common business processes across the broad spectrum of consumer-driven healthcare administrators, consumers, and providers.

Lighthouse1 is a cloud computing solution, which means it is accessed via secure Web connections. It also means you don't need to install or maintain any software on your computers; you just need access to the Internet. Lighthouse1 is updated frequently to enhance your experience and keep you up-to-date with changing regulations—all without disruption to service.



Lighthouse1's innovative design, which deploys an efficient rules-based engine and the use of plug-and-play Web services, allows us to integrate applications to automate traditionally manual processes, such as claims submissions and adjudications, reimbursements and provider reporting. You can even ask your administrator to receive automatic feeds from your Payroll or HRIS system directly into Lighthouse1 to eliminate time-consuming re-entry of account enrollment and contribution information. In fact, most of the processes involved in consumer-directed healthcare account enrollment and use can go completely paper-free with Lighthouse1.

"With 89 percent of consumer communications sent electronically, we're able to save significant printing and mailing costs. We're 'Going Green' and saving trees with Lighthouse1!"

Your employees will have easy-to-use self-service options available in the Lighthouse1 Consumer Portal which helps to educate them about the value of their benefits and answer questions about their plans. Instead of responding to benefits questions, your HR staff can be freed up to focus on more strategic things, like attracting and retaining the best talent for your business.

Is your platform flexible? Can it handle your unique needs?

Lighthouse1:

- Manages complex, stacked plans on one integrated platform
- Offers more than 1,200 plan designs to meet your unique needs

In 2009, Lighthouse1 data showed that ten percent of employers offered multiple, or "stacked" tax-favored healthcare accounts to their employees. In just one year, that number increased to twenty five percent and demand is still rising. Lighthouse1 can easily be configured to process claims and payments according to a series of interdependent plan rules. All plans and plan combinations are managed on one integrated platform, so there's no need for you to send data to different locations or service providers.

Lighthouse1 also provides more than 1,200 built-in plan designs, so you can be assured your unique plan rules and preferences can be accommodated and completely automated. Before any actual claims are filed and payments are processed, Lighthouse1 technology verifies even the most complex plan rules.

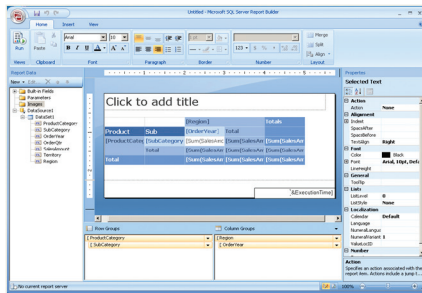
How easy is it for you to get reports and critical information?

Lighthouse1:

- Delivers more than 50 built-in reports that can be scheduled for automatic, electronic delivery
- Lighthouse1 Partners can use advanced reporting tools to respond quickly to your custom reporting needs

You're under constant pressure to offer competitive benefits and manage rapidly rising healthcare costs. You need detailed information showing you how many employees are taking advantage of the benefits you offer. You need to be sure your decisions are paying off in terms of increased usage and wellness. You don't need to wait for days or even weeks to get reports that meet your needs.

Your HR staff will be empowered with easy online access to all the information they need to manage account data and quickly answer employees' questions. For starters, Lighthouse1 provides more than 50 built-in reports that can be viewed using the Employer Portal or received via email. Your administrator can configure Lighthouse1 to fully automate the creation and scheduled, electronic delivery of statements, data files, notifications, and customized, informational reports. You can designate a number of reports and notifications be sent electronically to your plan participants, as well.



Your business and plan needs are unique, and so are your reporting needs. Should you need specific, customized information, your administrator can deliver it. Lighthouse1 Custom Reporting Solutions offer a variety of options to your administrator for providing critical information to you in the format and delivery method that best meets your needs.

How many options do you have for plan enrollments and re-enrollments?

Lighthouse1:

- Fully automates enrollment with easy-to-use Web sign-up processes
- Allows you to submit HR data files or set up direct feeds to keep Lighthouse1 in synch with your PR/HR systems

Even with all the technological advances available today, some CDHC solutions still require mountains of paperwork. Your HR staff has more important things to do than distributing, collecting, re-keying, and faxing paper-based enrollment forms. You should choose a solution that enables you to automate all those tedious, paper-based processes, such as enrollment, re-enrollment, employment status and demographic information updates.

Lighthouse1 provides several ways for you to automate and manage plan enrollments. Your administrator, using Lighthouse1 Consumer Data Exchange, can set up automatic data feeds from your Payroll or HRIS system so your employees' enrollment steps are minimized. You can easily submit employee data files using the Employer Portal to automatically synchronize changes to employee information in your Payroll or HR system with Lighthouse1.

Online Enrollment: For HRA, FSA and other plan-year driven plans, your employees may receive a notice with instructions and a Web page address where they can easily enroll online.

A screenshot of an online enrollment form. The form is titled 'steps: 1 2 3 4 5 6' with '1' highlighted. The form fields are: First Name (Jane), Middle Initial (), Last Name (Sample), Social Security Number (475 - 68 - 2312), Address Line 1 (445 Sample Ave.), Address Line 2 (), City (Sample City), State (Minnesota), Zip Code (55410), and Home Phone ((952) 656-5423).

When it's time to re-enroll in a new plan year, your employees will be presented with a link to a Web page where they can simply validate their current information and select to enroll again. There's no re-entry needed with Lighthouse1.

Health Savings Accounts, which are not necessarily tied to plan years, allow consumers to easily enter account registration and enrollment information or make updates anytime.

Whichever option you choose, your HR staff members will spend much less time chasing paper and fielding questions, which will save you time, money, and hassles.

Do you have the flexibility and control you need over plan and contribution rules?

Lighthouse1:

- Allows direct feeds or easy data file uploads to help you keep your Payroll/HR systems in synch with Lighthouse1
- Helps you eliminate tedious and frustrating data validation steps with automated checks and reports

Your business moves at a fast pace and quick change is the norm. You need to be sure your supporting systems are flexible and allow you to easily keep up with changes in policy and process.

Lighthouse1 was specifically designed to be flexible. Each employer can have Lighthouse1 configured to match how they want reimbursement plans managed. Once specific parameters are set and validated, the Lighthouse1 system automates the entire process from end-to-end, greatly reducing errors and the need for manual intervention. For example, plan rules and eligibility in limited plan options associated with certain classes of employees are carried throughout all aspects of the system.

Another example of Lighthouse1's flexibility is the number of options you have for managing plan contributions. Whether you and/or your employees make contributions, you can be assured Lighthouse1 will conform to your rules—not the other way around.

The complexity of managing your contributions increases the more your employee base changes. If you have a large, diverse, and rapidly changing staff, you know how challenging it is to keep your systems up-to-date. You want a CDHC technology partner that helps you keep your systems in synch, versus one that forces you to complete monotonous re-entry and frustrating data validation tasks. Using the Lighthouse1 Consumer Data Exchange technology, your administrator can set up automatic data feeds between your Payroll or HR systems to Lighthouse1, saving you countless hours of manual updates. Or, you can simply export a file from your system and upload it for your administrator using the Lighthouse1 Employer Portal. Lighthouse1 will automatically synchronize and validate your data, ensuring that no contributions or reimbursements are processed until all the records are in perfect synch.

Conversely, if your staff rarely changes, you want a system that doesn't require you to submit and maintain records, but will automatically calculate and post contributions as assumed during the enrollment season. Automated reporting and notifications allow for streamlined management of exceptions.

How easy is it for your employees to get reimbursed and for healthcare providers to get paid?

Lighthouse1:

- Ensures your employees and their providers will get reimbursed or paid quickly and efficiently
- Provides several options to automate claims, reimbursements, distributions, and provider payments

Regardless of how easy a solution is to use or how much it enhances your wellness focus and cost-saving efforts, your employees won't be happy with it unless it's easy for them to get reimbursed for qualified expenses. The faster they get their money, the happier they are. And when your employees are happy, so are you.

Lighthouse1 ensures rapid, hassle-free reimbursements with several reliable, automated options. You can choose to have payments facilitated with:

- Debit cards that your employees can use to pay for eligible expenses at the point of sale or service. Purchases are automatically checked for eligibility with no added time or expense to retailers or service providers. Employees don't have to submit claims, and the requirement of a receipt is rare.
- Direct deposit reimbursement payments so employees get paid immediately versus waiting for checks in the mail.
- The ability for employees to easily submit claims and request reimbursements or provider payment distributions (from their HSA) using the Consumer Portal. They can view the status of their requests and opt for Advice of Deposit statements to be sent to their email in-box or Consumer Portal notifications page.
- Lighthouse1's Integration Services, including Claims Exchange with Pay the Provider, that connect applications and processes across various systems. Consumers' health plan claims trigger automated claims, adjudication, reimbursement, and provider payment processes with options for direct deposit, account transfer, or check payment methods.

Do you wish to offer debit cards to increase usage and satisfaction?

Lighthouse1:

- Offers the Lighthouse1 OneCard and Benny® Prepaid Benefits Card to reduce employees' out-of-pocket payments, claims filing, and receipt-submission hassles

With the Lighthouse1 OneCard or the Benny® Prepaid Benefits Card, your employees can enjoy total convenience through the credit card network and our industry-leading auto-substantiation rules engine. Upon enrollment, your employees will receive debit cards they can use at the point of sale or provider service. Payments are made directly to the providers, reducing your employees' out-of-pocket payments, tedious claim filing, and submission of receipts (for more than eighty five percent of purchases, on average).

For HSA account holders, payments are automatically stored online for convenient tracking in the Consumer Portal. For FSA and HRA account holders, automatic claim submissions reduce the risk of losing unused funds at the end of the plan year.

How empowered are your employees with self-service options?

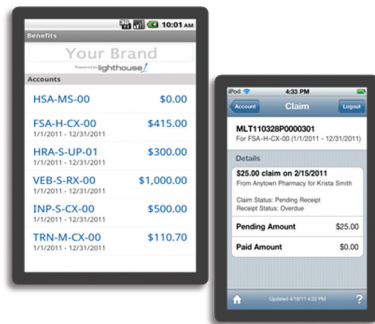
Lighthouse1:

- Helps you manage costs and HR staff time by empowering your employees with self-service options
- Enables your employees to download mobile apps so they can check account information and submit claims using their smartphones

The more your employees are empowered with self-service options, the more time your HR staff will save through fewer questions and issues.

Using the Lighthouse1 Consumer Portal, your employees can complete such tasks as:

- Updating their address information or beneficiaries
- Requesting the replacement of lost debit cards
- Looking up plan rules and details
- Seeing account balances, reasons claims were denied, notifications, remaining balances, claims and reimbursements histories, upcoming payments, or pending issues
- Submitting claims and receipts



With Lighthouse1 Mobile, your consumers can access account balance and detail information using their iPhone®, iPod touch®, iPad™, or Android™-powered smartphones or mobile devices¹. In addition, they can take pictures of receipts using their mobile devices' camera features to electronically submit receipts.

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**Can you rely on your solution to be up and running all the time?
Are you sure your data and transactions are safe and secure?**

Lighthouse1:

- Delivered 99.999 percent uptime consistently throughout 2009 and 2010
- Diligently works to maintain compliance with a number of key industry standards
- Monitors best-in-class disaster recovery and data security processes 24/7/365

You need to rely completely on your systems, especially those that manage employee benefits.

Lighthouse1 helps you rest easy with the utmost in reliability and security.

- In 2009 and 2010, Lighthouse1 delivered 99.999 percent uptime to partners, employers and consumers.
- Lighthouse1 maintains a best-in-class disaster recovery plan and SAS 70 Type II certified data centers. An Intrusion Detection System generates real-time alerts and automates escalation, if warranted. Virus scans are completed continuously. Internal and external PCI scans are completed weekly.
- Lighthouse1 offers N+ redundancy with a duplicate system including everything needed to run the platform and a backup data center.
- Data is backed up every 15 minutes to minimize data loss.
- The system is available 24/7/365 and backed by response time and service level agreements.
- Keycard and biometric scanning protocols are used at the Lighthouse1 data centers, along with round-the-clock surveillance to ensure data security.
- In the rare case that problems are encountered, a waiting database and server immediately take over to provide continuous service.
- PCI (Payment Card Industries) scans are executed quarterly.
- Primary Account Numbers (PANs) are tokenized and encrypted in all locations across the Evolution1 system. Employees are carefully screen prior to gaining access to PANs.



We hope this checklist helps you make an informed decision about your consumer-directed healthcare solution. By choosing to offer tax-favored accounts, such as HSAs, HRAs, FSAs, VEBA or Transit Plans, you are taking great steps to manage your company's healthcare costs and increase the focus on wellness. By choosing an industry-leading technology platform like Lighthouse1, you are taking another great step to save time and money by automating processes, empowering your HR staff and employees, and eliminating manual, paper-based processes.

To get started, or to find a plan administrator, contact info@evolution1.com.

