

General Information

What is an Health Reimbursement Account (HRA)?

The HRA is an employer-sponsored plan that can be used to reimburse a portion of your and your eligible family members' out-of-pocket medical expenses, such as deductibles, co-insurance and pharmacy expenses. It is not an insurance program, but a financial reimbursement plan funded entirely by your employer. Your employer has designated a specific dollar amount to credit to the account (either monthly or annual contributions). Your employer designates which out of pocket expenses qualifies for reimbursement. Unused account balances will be rolled over to the following plan year provided your employer continues to offer the program and you remain enrolled in it.

How does an HRA Work?

Your employer puts money into your HRA, and you choose how your health care dollars are spent. Because the money contributed by your employer doesn't count as income, there are no tax implications. It's kind of like getting a raise. You can use the money in the HRA throughout the year for qualified medical expenses. Depending on your plan design, any leftover dollars may roll over from year-to-year (if you continue to be a member of the plan) or they may be forfeited. Check with your Human Resources department or Plan Administrator for more information about your plan design.

You can use your HRA dollars and your Prepaid Benefits Card to pay for expenses like¹:

- Routine health care: office visits, X-rays, lab work
- Hospital expenses: room and board, surgery
- Medications: prescription and over-the-counter (OTC) drugs when prescribed by a physician
- Dental care: cleanings, fillings, crowns
- Vision care: eye exams, glasses, contacts
- Copays and co-insurance (the portions of health care bills paid by you)
- Eligible over-the-counter (OTC) items² such as: first aid dressings and supplies – bandages, rubbing alcohol
- Contact lens solutions/supplies
- Diagnostic products like thermometers, blood pressure monitors, cholesterol testing
- Insulin and diabetic testing supplies

Where do I call with questions about my HRA Plan?

If you have any questions about your HRA working for you, how to sign up or how to determine your available amounts, etc., please call a Customer Service Representative at 866-370-3040.

Enrollment

Do I need to enroll?

Yes. All eligible employees must enroll each year during the open enrollment period. Your employer will instruct you on how to complete enrollment.

Do I need to enroll each plan period?

No. Each year, you will have to re-enroll before the beginning of the plan year. At that time, you will have the opportunity to evaluate the need to participate in the Plan. You may decide to keep the same election, change your election or in some cases waive participation.

HRAs

Do I have to have health insurance to have a health reimbursement arrangement (HRA)?

HRAs are usually provided by employees to complement a higher-deductible health plan (HDHP), but can be paired with any type of health plan or offered alone. Once you have used your HRA funds, you pay all new and remaining expenses out of pocket.

Who can put money in my HRA?

HRAs are fully owned and funded by the employer.

How do I know how much is contributed to my HRA each plan year?

At the beginning of each plan year, your employer will notify you of the amount they will contribute to your HRA for that plan year.

What are some examples of OTC drugs that are eligible for reimbursement if my HRA allows these expenses to be covered?

Antiseptics, diabetes testing aids, bandages and contact lens care. For a more inclusive list, please see the Eligible and Ineligible Expenses www.isolvedbenefitservices.com under Resources, Guides and FAQs.

What is an eligible health care expense?

Eligible expenses under an HRA plan are determined by your employer. Contact your human resources department for information about your HRA plan design and eligible expenses. Generally, the following expenses are eligible under an HRA plan:

- Health insurance deductibles
- Co-insurance and copays
- Other expenses included in [*IRS Publication 502—Medical and Dental Expenses*](#) as eligible or qualified expenses
- Some insurance premiums
- Eligible expenses must be incurred by the employee and/or eligible members of the employee's family and take place within the benefit plan year.

Can I be reimbursed for my dependents' medical expenses?

Yes, if your dependent meets the definition of a dependent as defined by the IRS and is included in your employer's plan.

Is there a minimum claim amount?

There is no minimum claim amount. However, your plan may place a minimum on the reimbursement account (usually \$15). If your eligible claim amount is less than the minimum, it will be held until additional claims are submitted.

What's the maximum reimbursement amount from my HRA?

Your HRA benefit amount is determined by your employer. Most plans will reimburse eligible expenses up to the full available balance in your HRA. If your plan is based on an accrual, you'll only be reimbursed the amount that you've earned in the plan. Contact your benefits department for specific information about your plan design.

What if an expense is eligible for reimbursement under both my HRA and Health Flexible Spending Account (FSA)?

This depends on your employer design for your plan. If you have both an HRA and a Health FSA, review your Summary Plan Description (SPD) to find out which account pays first. You may not choose which account will cover the expense. Your expense will be reimbursed by the plan that's set up to pay first, and when the money for that account is depleted, funds from the other account will be used toward future eligible expenses.

Expenses reimbursed under your HRA may not be reimbursed under any other plan or program, including your Health FSA – and vice versa. Your HRA and health FSA, while separate accounts, provide reimbursement of qualified medical expenses that are defined by your employer and the IRS. This means you can't submit a claim for an eligible Health FSA expense and then request reimbursement for the same expense from your HRA. There's no "double-dipping."

Does the money in my HRA earn interest?

Typically, no. Under most HRA plan rules, the accounts aren't individually owned bank accounts that are eligible to earn interest.

Do funds carry over at the end of the plan period?

Any unused amounts left in the accounts at the end of the plan period may or may not be carried over into the next plan period depending on your plan. You have access to these funds from year to year as long as you remain an eligible employee and carryover is permitted by your plan. You may even have access to funds after termination of employment, if permitted by the plan.

If I terminate employment or retire can I be reimbursed for expenses incurred after my termination date?

Your plan participation will end automatically upon termination of employment. Expenses for services you have after your termination date typically are not eligible for reimbursement.

Some HRA plans, however, do include a "spend-down" provision that allows HRA participants to submit eligible HRA expenses, incurred during a specific time frame, after termination. This assumes participants continue to meet all other requirements. The spend-down feature is not available for all plans; therefore, refer to your Summary Plan Description for specific details related to your plan.

You may be entitled to elect COBRA continuation coverage under the HRA and receive reimbursement for eligible HRA expenses incurred after your termination. You must be eligible and make the required COBRA premium payment.

The Prepaid Benefits Card Makes Using Your HRA Easy

With your HRA, you'll receive a prepaid benefits card that makes it fast and convenient to access your money. With the card, you keep cash in your wallet because you can use your card to pay for qualified medical expenses. When you use the card, the cost of your eligible expenses will be automatically deducted from your account. There are no claim forms to complete and you won't have to wait to get a check in the mail. Just swipe and go. It's that easy!

There are tens of thousands of merchant locations where you can use your card to cover eligible purchases and other over-the-counter expenses. You don't have to submit receipts to verify the purchases, but it's always a good idea to save them for easy reference and in case the IRS requires them. In addition, you can check balances, view statements and see alerts about required actions online anytime with a secure Web portal.

Submitting Claims for Reimbursement

How do I submit a claim?

You can file your claim online or via mobile app and upload your receipts. Remember to attach supporting documentation for the claim.

May I submit expenses for my spouse and children for reimbursement through my HRA?

This is reliant on your plan design. Review your Plan Design SPD online for information on whether spouse and or dependent children are eligible for reimbursement of claims.

What supporting documentation must I file with each Health HRA claim?

Each time you submit claims to your health insurance carrier, you will receive an Explanation of Benefits (EOB), Plan Information Summary or an itemized statement detailing what the health plan will pay and what you must pay. For expenses that are partially covered under another insurance plan, you must attach a copy of both EOBs.

For expenses that are not submitted to another insurance plan, you must attach a copy of an itemized billing containing the following information:

- Name of patient
- Name and address of provider
- Description of service
- Date of service
- Amount of service

The documentation requirements are also listed on the Request for Reimbursement Form to assist you in properly filing your claim. Following these guidelines will ensure you receive your reimbursement without unnecessary delays.

How long after the end of the Plan year do I have to submit claims?

Claims must be submitted prior to the end of the run-out period for the Plan. The run-out period is defined in your Summary Plan Description.

Will I receive reimbursement for claims that are greater than the current balance of my HRA?

Yes, the annual amount is available to you from the beginning of the Plan year.

How do I know that you received my claim and whether or not it was paid?

Generally, within two business days of submitting a claim, you can view your account online to check on the status of the claim at www.isolvedbenefitservices.com. Simply choose Health Reimbursement under employee/participant and follow the on-screen instructions.

When can I expect to receive my reimbursement?

Claims are generally processed within two business days of receipt. Reimbursements are then processed and released according to the disbursement schedule and funding option of the employer. Generally, disbursement schedules are daily. This means that reimbursements are processed each day and include any claims that were processed the previous day. The release of your reimbursement depends upon the funding option chosen by the employer.

How do I know what my account balance is?

You can use one of the following methods to check your account balance:

- You can view your account at www.isolvedbenefitservices.com. Simply choose Health Reimbursement under Employee/Participants and follow the on-screen instructions.
- You can view your balance on the mobile app.
- Your account balance will be displayed on the reimbursement check or direct deposit notification each time you submit a claim.
- You will receive a Balance Statement quarterly during the Plan year. This statement provides a summary of your remaining balance in the HRA as well as claims paid to date.

How do I know why my claim was denied?

You will receive a letter indicating the reason for the denial along with instructions for submitting the requested documentation.

Why may the amount of my reimbursement differ from the amount of my request?

There are reasons that you may see a different reimbursement amount. For example:

If the request was for more than the balance of your account.

Annual HRA Amount	\$500.00
Total amount disbursed to date	\$200.00
Available balance	\$300.00
Total amount of request	\$500.00

Health Reimbursement Account (HRA) Frequently Asked Questions

You will only be reimbursed \$300.00, as this is your available balance.

Note: The amount you save in taxes with a Health Reimbursement Arrangement will vary depending on the amount provided by your employer, your annual earnings, whether or not you pay Social Security taxes, the number of exemptions and deductions you claim on your tax return, your tax bracket, and your state and local tax regulations. Check with your tax advisor for information on how your participation will affect your tax savings.