

# WHAT IS A HEALTHCARE REIMBURSEMENT ACCOUNT (HRA)?



## What is an HRA?

A Healthcare Reimbursement Account (HRA) is an employee benefit plan designed to help offset expenses incurred by the employee (and dependents). When you participate in the medical plan, your employer will provide the HRA funds to reimburse you for eligible expenses.



## What types of expenses will my HRA reimburse?

Any out-of-pocket medical expenses as described in the IRS publication 502 are HRA eligible.



## Who is covered by my HRA?

You and your eligible tax dependents are covered by the HRA.



## Is there a cost to me?

A HRA is completely funded by your employer. All participants are required to receive a Summary Plan Description (SPD) describing the HRA. The SPD will identify your rights and responsibilities as a participant.



## How does my HRA work?

If you **elect the Mini-Med medical plan** you are given \$25,000 of which you can put 100% (\$25,000) in an HRA or elect to put 50% (\$12,500) in an HRA and receive the remaining 50% (\$12,500) in cash.

If you **waive the Mini-Med medical plan** you are given \$25,000 plus an additional \$5,000 for waiving the Mini-Med plan. Of this amount, you can put 100% (\$30,000) in an HRA or elect to put 50% (\$15,000) in an HRA and receive the remaining 50% (\$15,000) in cash.

Funds placed in a HRA can be used for any out-of-pocket medical expenses.



## How can I get reimbursed for HRA eligible expenses?

Please refer to instructions listed on the HRA Claim Form for a detailed explanation on how to receive reimbursement for eligible expenses.



## How much time do I have to submit a claim after the plan year has ended?

Claims must be submitted for reimbursement no later than December 15<sup>th</sup> after the plan year has ended. This information can be found in your Summary Plan Description.



## Do I have to pay the provider before requesting reimbursement?

In most cases, you do not have to pay the provider before you are reimbursed. However, some providers may require payment when the expense is incurred.



## What is an EOB?

All insurance carriers are required to provide the employee with an Explanation of Benefits (EOB) after services are performed. An example is provided below. The EOB usually includes the following information: name of the provider; date of service; description of the service; provider's charge amounts and how they are applied toward the deductibles and amounts not allowed by your insurance company.



## How do I check my available balance?

The Flexible Benefits Service Center offers two different ways for a participant to obtain information about his/her HRA:

1. You can call the Flexible Benefits Service Center tollfree at (866) 997-7872; or
2. You can access your account information online at [www.phsystems.com](http://www.phsystems.com)

When you enroll in the plan, you will be mailed a letter containing the details of how to obtain information from this site.

**YOUR HEALTH INSURER**  
432 Benefits Road  
East Healthways, MI 49999  
Forwarding Service Requested

**Explanation of Benefits**  
\*\*\*This is NOT a Bill\*\*\*  
Keep this statement for tax purposes.  
No other record will be provided.

Please direct inquiries to (800) ###-####

Member: John Doe  
Patient: John Doe  
Contract No: 00000  
Claim No: 0000000

| Date of Service | Type of Service/ Provider | Total Charge | Ineligible Amount | Rmk Code | Allowable Amount | Deductible | Balance |
|-----------------|---------------------------|--------------|-------------------|----------|------------------|------------|---------|
|                 |                           |              |                   |          |                  |            |         |