



Health Reimbursement Accounts — Frequently Asked Questions

Health reimbursement accounts (also known as health reimbursement arrangements) give you the opportunity to make decisions on how your health care dollars are spent. For more information on the EmpowerSM HRA Plan, please see the plan overview.

If you have questions about your HRA after you enroll, you may call Member Services at 952-883-7000 or 1-866-443-9352. TTY users can call 952-883-5127 or 888-850-4762.

Note: This document has general HRA information. For HRA information that is specific to your employer, please refer to a Summary of Benefits or plan document.

Q What is an HRA?

A An HRA is an employer-sponsored health plan with a tax-exempt reimbursement account for eligible medical expenses. HRAs are consumer-directed health plans designed to engage consumers in their health care and health care spending. You have control over how your HRA money is spent.

Your employer designates a certain amount of money per employee into an HRA, which employees use to reimburse themselves for eligible medical expenses. Money from the HRA helps employees meet their health plan deductibles, coinsurance and copayments, or save for future medical expenses.

Funds not used for eligible medical expenses in the current year may be rolled over for future medical expenses, based on your employer's plan.

Q How does the HRA work?

A Your employer designates the amount you have to use each year in your HRA. When you have an eligible medical expense, you are reimbursed for that expense from your HRA balance. If you should use all of the money in your HRA before you reach your plan's annual deductible, you pay for any additional expenses until your deductible is reached. After you reach your deductible, your plan will cover most of your expenses, but you may have copays or coinsurance.

Q How much does my employer put into my HRA?

A Typical employer contributions are one-half of the deductible amount of the health plan. For example, if the health plan has a \$1,000 deductible per individual employee and \$2,000 deductible per family, the employer's typical HRA contribution would be \$500 for individuals and \$1,000 for families. Every employer's plan is unique, so check with your employer for details about your plan.



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Q What if my family status changes?

A If you change from single health coverage to family coverage during the plan year (or vice-versa), the HRA contributions from your employer generally follow the deductible. For single to family status changes, the family HRA contribution is granted based on the effective date of the policyholder's coverage (not pro-rated based on the date of change). For family to single status changes, the single HRA amount is applied prospectively. If the policyholder has already used more than the single contribution amount, they are not required to refund the difference. The single HRA amount would apply going forward.

Q Are there contribution limits?

A There is no an annual contribution limit and no lifetime contribution limit. Each employer will determine the specific limits for the plan they are offering.

Q What is a deductible?

A A deductible is the amount you pay before your insurance coverage kicks in. For example, if your health plan's deductible is \$1,000, you pay all expenses up to \$1,000 before your health plan coverage starts.

Q What are the tax benefits of an HRA?

A The money in your HRA was contributed by your employer, but it is not reported as income to you. So you're essentially getting tax-free money to use for your medical expenses.

Q What are eligible medical expenses?

A Your employer determines what expenses can be reimbursed from your HRA. Generally, employers allow reimbursement for medical expenses covered under the health plan (e.g., office visits, prescription drugs, etc.). Many employers allow HRA reimbursements for any eligible medical expense under Internal Revenue Code section 213(d), which includes dental and vision expenses. For more information on IRC §213(d), see IRS Publication 502.

Q Will I be billed by my provider?

A Yes. Office visits and most diagnostic and laboratory tests are eligible medical expenses, so you can use money from your HRA to pay your provider's bill.

Q Does the money in my HRA earn interest?

A No, the HRA is a bookkeeping account and does not earn interest.



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Q How am I reimbursed from my HRA?

A You can get reimbursement from your HRA two ways:

1. **Automatic Claims Submission:** If your medical expense was at a network provider or pharmacy, the claim is automatically submitted to HealthPartners for processing. If you have any payment responsibility from that expense, your part of the claim is sent to your HRA for reimbursement to you. If your HRA balance has enough to cover the expense, you will receive reimbursement automatically via check or direct deposit.

*Note: you may opt out of the automatic claims submission feature if you wish. You **must** opt out of the automatic claims submission if either of the following is true:*

1. *You have dual health plan coverage through a spouse.*
 2. *You have a dependent covered under your health plan who does not qualify as a dependent under the federal tax code.*
2. **Manual Claim Submission:** If you have an eligible medical expense outside the network or over-the-counter, you can complete a claim form and send it to HealthPartners by mail or fax. Claim forms are online at **healthpartners.com** or you can call Member Services at 952-883-7000 or toll-free at 1-866-443-9352. Be sure to send your documentation with your claim form.

Fax: 952-883-5026
Address: HealthPartners Service Center
Membership Accounting, Mail Stop 21104A
P.O. Box 1309, Minneapolis, MN 55440-1309

Some employers offer debit cards instead of automatic claim submission so employees can access their HRA immediately at the pharmacy or provider's office.

After your claim is processed, you will receive a check in the mail or you can sign up for direct deposit. Direct deposit enrollment forms and instructions are online at **healthpartners.com** or you can call Member Services at 952-883-7000 or toll-free at 1-866-443-9352.

Q How often are claims for reimbursement paid?

A Claims are processed and paid on a weekly basis. When HealthPartners receives the claim, we take five business days to pay, pend or deny the claim. Members are typically reimbursed from their HRA within 10 to 14 days.

Q What happens to the money in the HRA if I don't use it all in one year?

A If your employer allows, you may roll over your HRA balance to the next year. This way you can build up your HRA balance for future medical expenses.



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Q What happens to the money in the HRA if I leave my employer?

A Unused HRA balances revert to the employer upon termination. However, your employer may allow for continued access to the HRA after termination in certain situations.

Q How do I keep track of my HRA balance?

A Whenever there's a request for reimbursement from your HRA, HealthPartners will send you an Explanation of Benefits (EOB) statement. The EOB will let you know how much was reimbursed from your HRA and your remaining balance.

You can check your HRA balance online at **healthpartners.com**. You will need to register to view your account — simply follow the online instructions. It's free, secure, and easy! You can also view your EOBs online.

Q Can I use my HRA balance if I elect COBRA?

A Generally, employees who elect COBRA upon termination must be offered the same plan choices as active employees. Based on your employer's plan, the health plan may be separated from the actual health reimbursement account. In this case, you would be able to elect the health plan component, but not receive any more contributions to your HRA. Check with your employer for your options.

Q How can I get more information on my HRA?

A When you enroll in the Empower HRA plan, you will receive a Summary Plan Description that explains the details of your plan. You can also call Member Services with any questions you may have (952-883-7000 or toll-free at 1-866-443-9352).