

# Health Reimbursement Arrangement (HRA)

Your organization is unique, your benefit plan should be too.



An HRA is an employer-funded benefit plan where employees are reimbursed, tax-free, for qualified medical expenses up to a fixed dollar amount per year. An HRA allows you to design a benefit plan that complements your health insurance plan by covering your employees' out-of-pocket health care costs.

## Flexible Design Options

An HRA offers flexible design options so you can customize each part of your plan, including:

- **Who** the benefit is for
- **What** the benefit will cover
- **When** participants have access to the benefits
- **How** the coverage will be broken down

## Technology Features

Employer administration and participant account management is available all day, every day with our online accounts and mobile app, *EBC Mobile*. Participants have online and mobile claims processed within 2 business days and can have reimbursements sent electronically to their bank via direct deposit.

## Data Integration

Employee Benefits Corporation (EBC) will work with employers to establish an electronic file feed.

## Plan Features

- Compatible with flexible spending accounts (FSAs) and health savings accounts (HSAs)
- Included Compliance Support:
  - Customized HRA Plan Document and Summary Plan Description
  - Required Summary of Benefits and Coverage (SBC)
  - Medicare Secondary Payer reporting for Centers for Medicare and Medicaid Services (CMS), when required
  - Report to assist with filing Patient Centered Outcomes Research Initiative (PCORI) fee
  - Nondiscrimination testing worksheet made available for self-testing

## Plan Design Examples

EBC has helped employers design thousands of plans to meet their organization's specific needs, including plans like the ones shown below that help offset rising health care costs, encourage employment longevity, and more.

### Deductible Coverage

Insured Plan Begins



**Benefit Scenario** | An employer is adjusting their health plan from a \$3,500 deductible to a \$5,000 deductible to help meet rising health coverage costs. They are looking for an HRA plan design to help their participants with this increased deductible.

**Selected Plan Design** | A two-tier HRA with aggregate coverage for the \$5,000 deductible. The participants pay the first \$3,500 of the deductible. The HRA then pays for the remaining \$1,500.

**Eligible Expenses** | Deductible

**Additional Features** | This plan design can also be set up to have an aggregate or embedded deductible.

### Specific Coverage

Insured Plan Begins



**Benefit Scenario** | An employer is looking to offer specific coverage, in this case dental, without enrolling in a specific dental insurance plan. They plan to offer this coverage alongside a health care FSA.

**Selected Plan Design** | A one-tier plan design where the HRA pays up to \$1,000 for eligible dental expenses.

**Additional Features** | The participant can choose to contribute to the health care FSA, which they can use to pay for dental expenses above the \$1,000 covered by the HRA or other Section 213-eligible expenses. The Benefits Card can be structured to use HRA dollars first for eligible dental expenses and then pull funds from the health care FSA for remaining qualified health care expenses.

### Retiree Benefit



Start Date

**Benefit Scenario** | A public sector employer is looking to provide funds for health care coverage to their employees after they retire.

**Selected Plan Design** | A two-tier plan design for retirees who are at least 55 years old and have worked at the company for at least 10 years. Retirees that meet these requirements receive a lump sum of \$20,000 that they can use towards their health insurance premiums.

**Eligible Expense** | Health Insurance Premiums

In the states of Arizona, California, Florida, Kentucky, Massachusetts, Montana, North Carolina, Nebraska, New York, Ohio, Rhode Island, Tennessee, Virginia, and Washington, Employee Benefits Corporation is registered under the "doing business as" (DBA) name EBC Benefits Administration Corporation. In the state of New Hampshire, Employee Benefits Corporation is registered under the DBA name Employee Benefits Administrators of WI. In the state of Vermont, Employee Benefits Corporation is registered under the DBA name EBC Benefits Administration.