



## HEALTH REIMBURSEMENT ARRANGEMENTS (“HRAs”)

**N**ow, more than ever, healthcare dollars need to go further. With an HRA they can.

Through a Health Reimbursement Arrangement (HRA), you receive tax-free money from your employer to cover medical expenses that may not be covered by insurance such as dental work, vision care and prescriptions. That means fewer out-of-pocket healthcare costs for you and more money in your pocket.

### What is a Health Reimbursement Arrangement (HRA)?

An HRA is a program that is fully funded by your employer and is designed to help you pay for out-of-pocket medical expenses. While HRAs come in many varieties, your HRA allows you to use the funds for an array of eligible expenses.



### How it Works

Your employer puts money into your HRA and you choose how your healthcare 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 (as long as 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.

### 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.

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

- 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 coinsurance (the portions of health care bills paid by you)
- Eligible over-the-counter (OTC) items<sup>2</sup> 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

<sup>1</sup> If allowed by your benefit plan

<sup>2</sup> The list of eligible OTC items changed per the Patient Protection and Affordable Care Act of 2010. Contact your Plan Administrator for more information or visit [www.irs.gov](http://www.irs.gov) for details.

