

# Health Reimbursement Arrangement (HRA) Frequently Asked Questions

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

The Health Reimbursement Arrangement is an account that is funded and owned by the employer. This account will reimburse you for qualified medical care expenses that have not been reimbursed by the County's health plan.

To be eligible for an HRA, the employee must be enrolled in the County's health plan and have completed the 3-Steps to Wellness. After completion of the program, the employee receives a \$500 contribution. If the spouse is covered on the health plan, and completes the 3-Steps to Wellness, an additional \$500 is deposited into the HRA account.

The 3-Step program must be completed during the County's plan year, July to May, to receive the full HRA contribution on July 1. Funding is pro-rated for newly hired employees and for existing employees who are entering the wellness program for the first time, mid-year. Employees who complete the 3-Step program also receive a discount on their health insurance premium.

Please note that if only your spouse participates and completes all three steps of the program, you will not receive any funding until you (the employee of the County of Roanoke) complete the steps.

## When will my HRA funds be available to me?

The full contribution amount will be made available to you at the start of the plan year (July 1<sup>st</sup>) for current employees who complete their wellness activities no later than the end of May. Any mid-year new hires, or existing employees participating in wellness for the first time, will receive a pro-rated amount based on the month their 3-Steps are completed.

## What is an eligible expense under my HRA plan?

The following are examples of items that can be submitted for reimbursement under the HRA plan.

- Co-payments
- Co-insurance
- Prescription Drugs
- OTC Medications
- Out of Pocket Medical Expenses
- Dental / Vision Expenses
- All 213(d) expenses

## If I participate in an HDHP/HRA plan along with the FSA plan, which plan will pay my claims first (HRA or FSA)?

Claims and card transactions will be posted to your FSA account first as it has a modified "use it or lose it" rule. (Your employer has adopted the \$500 rollover provision; FSA funds in excess of \$500 will not be carried over to the following plan year.) Once you have exhausted all your FSA funds, your claims will then be automatically applied to your HRA account.

### **Will the HRA funds roll-over each year or does the “use it or lose it” rule apply to this account?**

Yes, any unused funds in your HRA account will continue to roll-over each year as long as you are an active employee & remain covered under the County’s medical plan. The maximum amount you can keep in your HRA account is \$25,000. This is regardless of participation in the wellness program.

### **What happens to my HRA funds if I resign or terminate?**

You may submit reimbursement requests for any allowable medical expense incurred up to your termination date (last day of coverage) and be reimbursed from your HRA if you submit reimbursement requests within 90 days from the termination date, which is the coverage end date. If you elect COBRA continuation coverage upon termination and pay your monthly COBRA premium, you will have continued access to the HRA funds for up to 18 months after termination. Otherwise, the funds revert to the County.

### **What happens to my HRA funds if I retire?**

You will have continued access to the funds in your HRA for eligible expenses, provided you enroll in the County’s Retiree medical plan with KeyCare1000. Additional information on how the HRA funds will work as a retiree will be provided to you at that time.

### **What happens to my HRA funds if I pass away?**

The funds in your HRA will be available to your surviving spouse and/or children in the event you pass away. They may submit reimbursement requests on your behalf within 6 months for any allowable medical expense incurred up to your date of death for reimbursement from the account. If they elect COBRA continuation coverage upon your death and pay the monthly COBRA premiums, they will have continued access to the HRA funds for up to 36 months after your date of death. Otherwise, the remaining funds will be reverted to the County.

### **What is the deadline for using or submitting my expenses each year?**

All documentation must reflect a service date within the plan year dates (July 1- June 30) and submitted for reimbursement within 90 days of the plan year end. Claims and supporting documentation must be received in the office of Flexible Benefit Administrators, Inc. by 5:00 p.m. on the 90<sup>th</sup> day, following the end of your Plan Year. If claims are not received during this time frame for expenses incurred during the Plan Year, your remaining funds cannot be applied for those claims.

### **How do I submit my HRA paper claims if I am not using my debit card?**

Claims should be submitted to FBA by one of the following methods:

Fax: 757.431.1155

Scan/Email: [FlexDivision@flex-admin.com](mailto:FlexDivision@flex-admin.com)

Online Claims Submission at [www.flex-admin.com](http://www.flex-admin.com)

USPS Mail to: FBA/Flex Division, P.O. Box 8188, Virginia Beach, VA 23450

### **How will I receive my reimbursement for my paper claims?**

If you have a current FSA account on file with FBA, they will default your HRA reimbursement method to match your FSA reimbursement method (check or direct deposit). Please notify Flexible Benefit Administrators, Inc. if you need to update your mailing address. If you would like to sign up for Direct Deposit, please complete a Direct Deposit Form.