



Wespath

BENEFITS | INVESTMENTS



A FRESH APPROACH
TO HEALTH CARE COVERAGE

**HealthFlex Health
Reimbursement
Account (HRA) Plans**

What Is an HRA Plan?



An HRA Plan is a type of health coverage that allows your employer to fund a health reimbursement arrangement (HRA, also called a “health reimbursement account”) that you may use to pay out-of-pocket health care expenses. An HRA Plan also protects you from very high medical expenses, with an out-of-pocket maximum.

HRA Funding

An HRA is an Internal Revenue Service (IRS)-approved program that allows employers to reimburse eligible medical expenses incurred by participating employees as tax-free medical benefits to offset health care costs. HealthFlex allows credit balances in your HRA account to roll over from year to year somewhat like a savings account, with no limit to the amount rolled over. A HealthFlex HRA reimburses all eligible items covered by a medical flexible spending account (FSA) that are not covered by the HRA Plan benefit design, including dental and vision expenses.

HRA Plan—A Different Type of Plan

The HRA is similar to a savings account designated specifically for eligible health-related expenses, such as deductibles, co-payments, prescription medications and/or medical expenses that are not covered by your health plan or prescription drug plan. The account is available for your use as long as you meet certain requirements.

The HealthFlex HRA Plans have a deductible per individual (combined medical and behavioral health) that you must meet before the plan pays for any medical benefits. The HRA can assist you in paying this deductible (and other eligible expenses). You have the choice to use your HRA or not, which means you can roll over any unspent HRA funds from one year to the next, so your HRA account can grow for future needs.

HRA Plan: A “Consumer” Health Plan

An HRA Plan is a type of health coverage that encourages covered individuals to be informed and thoughtful consumers of health care services, much like they would be informed and thoughtful when purchasing other goods and services. The HRA Plan structure motivates participants to take a more active role in selecting their health care providers, managing their health expenses, and improving their overall health through good nutrition, exercise and other factors that they can control.

For example, you might fill a prescription by choosing a generic therapeutic equivalent medication or a generic alternative medication (when available) instead of a more expensive name-brand drug, or you might go to an urgent care center rather than a hospital emergency room for a non-life-threatening medical concern.

Important: Always seek the appropriate level of care for your or your family’s medical needs. While the HealthFlex HRA Plan fosters consumerism by encouraging participants to seek cost-saving measures when appropriate, it in no way expects participants to choose inappropriate or insufficient levels of care as a way to save money.

Learn More About the HRA Plans and Your HealthFlex Benefits in Benefits Access (benefitsaccess.org).

Comparing Your HRA Plan to the B1000 Plan

	HRA Plans	B1000
Includes employer HRA contributions	Yes	No
Medical office visits	Deductible and co-insurance	Copay
Urgent care		
ER visits		
Hospitalization		Deductible and co-insurance
Other medical services	Co-insurance, no deductible	Copay
Behavioral health office visits	Copay/co-insurance	Copay/co-insurance

How the HealthFlex HRA Plan Works

- **HRA Funds**—Each year, your plan sponsor contributes to your HRA. The amount depends on which plan is selected.
- **Preventive services**—Such as annual checkups and age-appropriate diagnostic tests (such as screening mammograms or colonoscopies) are covered by HealthFlex at no cost to you when in-network providers are used.
- **Other medical services**—You must first meet the deductible before the plan pays for services. You can use your HRA. You can see the same doctors and receive the same treatment as with any HealthFlex plan.
- **After the deductible is satisfied**—HealthFlex will pay a percentage of all remaining eligible expenses for in-network providers and you (the participant) will pay a percentage (your co-insurance)—up to the annual out-of-pocket maximum.
- **Out-of-network doctors**—If you chose these hospitals or other providers, your out-of-pocket costs may be higher, including a higher deductible, co-insurance and out-of-pocket maximum. This is true for any HealthFlex plan.
- **Using HRA Funds**—You may use funds available to pay your out-of-pocket expenses, including deductibles and co-payments. In addition, you can use the HRA to pay for dental and vision expenses. A detailed list of eligible expenses is available online from

HealthEquity, after you log into Benefits Access, click “**Health Details**” then “**Health & Reimbursement Accounts**.”

- **Unused HRA Funds**—At the end of the plan year, unused funds roll over for the next plan year. There is no limit to the amount that can accumulate in your HRA and there is no deadline to spend the funds, as long as you do not terminate or waive coverage. If you terminate or waive HealthFlex, you have 90 days to spend your funds before they are forfeited.

HRA balances remaining at the time of retirement may be used for any eligible health care-related expenses, including retirement medical products and plans outside of HealthFlex.

- **With FSA**—You may contribute to a health care FSA when you have an HRA. Electing an FSA is optional for the HRA or other HealthFlex plans. If you want to set aside money into an FSA, you must do so during the Annual Election period.

If you elect an FSA, the FSA always pays first; then the HRA pays. This is because FSA dollars are subject to the “use it or lose it” rule for balances over the IRS carryover amount, so you risk losing your unspent FSA dollars at the end of a plan year. In contrast, unlimited unspent HRA dollars roll over to the next year as long as you remain in HealthFlex.

HRA plans have full access to the nationwide BCBS and all OptumRx Premium Formulary medications. You can also access the providers and specialists of your choice without a referral, PLUS all of the same medical services and medications as the B1000.



Steps You Can Take to Manage Your Health Expenses

You have more control over your health care expenditures than you may realize. Here are a few steps you can take to spend less on health care—without compromising the quality of care you receive:

- Fill prescriptions with generic medications instead of name-brand medications. Ask your doctor if a generic is available and appropriate.
- Fill maintenance (long-term) prescriptions by mail order or a Walgreens pharmacy, instead of using a retail pharmacy.
- Go to the doctor’s office or urgent care center—instead of a hospital emergency room—when you feel sick, or have symptoms or an injury that is not life-threatening or limb-threatening. You can also use telemedicine services through MDLIVE when your symptoms are not life-threatening.
- Practice healthy habits to improve your overall well-being, including getting preventive screenings, managing chronic conditions, eating well and being active.

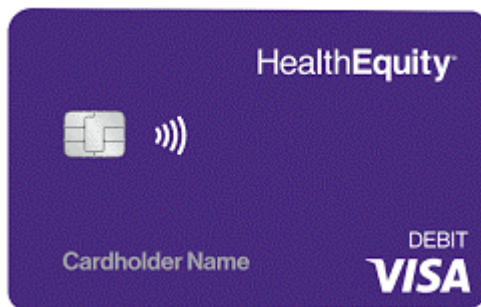
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Preventive and Wellness Services Are Covered

We are committed to your good health. The HRA Plans—like all HealthFlex plans—cover preventive and wellness services at 100%. When in-network providers are used, you have no out-of-pocket costs (no co-insurance or deductible) for eligible preventive and wellness services, including checkups, vaccines and age-appropriate preventive testing (such as routine blood tests, mammograms or colonoscopies).

HealthEquity® Healthcare Card

HealthEquity will administer the HRA. You will receive a teal HealthEquity Healthcare card to be used for your HRA funds as well as any FSA funds you may elect. Access your HealthEquity account online through Benefits Access and via phone at **1-866-346-5800**.



Disclaimer: This document and information regarding the HRA Plans is provided as a general informational and educational service to HealthFlex participants. The document does not constitute legal, tax or consumer advice. Consult with your tax adviser, legal counsel or other professional adviser before acting on any information in this document. Wespeth Benefits and Investments (Wespeth) expressly disclaims all liability in respect to actions taken or not taken based on the contents of this document. Additional documents provided by HealthFlex for more information about HealthFlex plan types and health reimbursement accounts at wespeth.org.

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