

## COMMONLY ASKED QUESTIONS AND ANSWERS ABOUT PARTICIPATION IN A HEALTH REIMBURSEMENT ARRANGEMENT

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

An HRA is an employer sponsored medical benefit plan through which you can get reimbursed for eligible out of pocket medical expenses that are not paid for by your insurance or any other benefit plan. Eligibility is determined by your employer and may be limited to people enrolled in a specified insurance plan.

### **When are expenses “incurred?”**

The IRS rules state that an expense is incurred at the time the service is rendered, not when an appointment is made, a bill is dated, or a bill is paid.

### **Can the money be withdrawn for anything other than the above?**

No. HRA funds can only be used for eligible out of pocket medical (copay, coinsurance, deductible and prescription) expenses.

### **How are deposits made to my HRA Account?**

Deposits to your HRA are made by your employer. The frequency and amount of those deposits can vary from employer to employer but they are generally available to you on the first day of the plan year. Please check with your HR manager to confirm their scheduled contribution date(s).

### **Do I pay federal, state, or local taxes on this money?**

No. Contributions to your HRA are pre-tax.

### **Can I put my own (employee) dollars into the HRA?**

No. The Internal Revenue Code requires that HRAs are to be funded by the employer only.

### **How do I receive reimbursements from my HRA?**

If your plan offers a Benefit Debit Card (Benny Card) you can use your card at participating medical facilities and IAS approved pharmacies. You can also submit claims manually via SIMON, or by completing an online or paper claim form and submitting it to Benefit Solutions by email, fax, or mail. In order to substantiate your claims you will need to provide documentation (copies of EOBs, itemized receipts, statements, etc.) that includes the date of service, provider, services rendered, and amount billed.

### **How long will it take to get reimbursed when I submit manual claims?**

BSI processes manual claim batches on Monday with funds released on Wednesday, and again on Wednesday with funds released on Friday. If you choose to have a paper check mailed, please allow 7-10 business days for receipt of your reimbursement check. If you sign up for Direct Deposit your reimbursements will be deposited directly into your bank account within 3-5 business days.



### **How much will I receive when I submit a claim?**

If you have enough HRA funds available to cover your claim you will be reimbursed the entire amount. Otherwise you will only be reimbursed what is available in your HRA at the time you submit your claim.

### **After I have incurred an eligible expense how long do I have to submit a claim for reimbursement?**

For services incurred *during* the eligible plan year (1/1 – 12/31), claims must be submitted no later than 90 days following the last day of the plan year (3/31) to be eligible for reimbursement.

### **What happens to my HRA Account if my employment ends during the year?**

You may continue to submit claims for services incurred *prior* to your date of termination, for up to 90 days following your termination.

### **Can I request reimbursement of medical expenses and also deduct the same expenses on my income tax return?**

No.

### **How do I access my HRA information?**

You will receive an email invitation to BSIs online portal, SIMON, shortly after your initial enrollment, or at the beginning of the plan year. Once you have accepted the invitation and setup your username and password you will be able to access your HRA information anytime by logging directly into SIMON at [www.simon365.com](http://www.simon365.com) and clicking on the “My CDHP” tile. The SIMON portal will allow you to submit and view claims, and monitor your account balance.

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