

Evergreen Retirement Community

Section 105 Health Reimbursement Arrangement

Employee Instruction Sheet

Evergreen Retirement Community is continuing a Section 105 Health Reimbursement Arrangement (HRA) to help provide better health care coverage to employees and their families. HRAs are implemented by many employers to help manage increasing health care costs and to provide employees with an incentive to be better consumers of health care. They are working with Diversified Benefit Services, Inc. (DBS) to manage and administer the HRA. The program works as follows:

- You and/or your family members utilize your health plan as you normally would. When you use your health plan, the insurance company will process your claim and send an Explanation of Benefits form (EOB) to you. The EOB form shows the date of service, service provided, cost of the service, amount insurance paid on the claim.
- An Explanation of Benefits form (EOB) will *also* be sent electronically from the insurance company to DBS stating the amount of services applied toward the deductibles.
- As DBS receives the electronic information, the deductible amounts will be paid directly to the vendor/provider based on your employer's HRA reimbursement plan parameters.
- Prescription drugs are applied towards your deductible. You are required to pay for the prescription at the time of purchase. The HRA will reimburse you directly for prescription drug expenses based on your employer's HRA reimbursement plan parameters.
- If you provide your email address to DBS, all notifications including claims received, reimbursements issued and requests for additional information will be sent to you via email.
- There are no claim forms to file for the HRA. (However, if you have dual health coverage, you must submit EOB forms from the secondary insurance carrier manually along with a signed claim form for reimbursement.)
- The Health Insurance Plan is HSA (Health Savings Account) qualified and prescription drugs apply toward the deductible. Employees may set up a HSA with this Health Reimbursement Arrangement.

HRA Reimbursement Schedule - Open PPO (HPS Network)

<u>Plan Year:</u>	01/01/2023 - 12/31/2023
<u>Eligible Expenses:</u>	Medical Deductibles and Prescription Drugs incurred under the Employer Sponsored Group Health Plan
<u>Deductible In-network Level:</u>	\$6,350 Single (maximum 2 per Family)
<u>HRA Reimbursement Levels for the Plan Year:</u>	
First \$4,500 per in-network deductible expenses:	Employee Responsibility
Next \$1,850 per in-network deductible expenses:	Reimbursed by the HRA

The HRA reimbursement is based on the Employer's in-network Group Health Plan.



Additional Information:

- Employees are eligible for the HRA when they are eligible for and covered under the employers' group health plan. Employees not covered under the employers' group health plan are not eligible for the HRA.
- **At the end of each Plan Year there will be a 90-day run-out period** in which your claims with dates of service within the plan year will be electronically submitted.
- Any portion of the expense reimbursed by the HRA **IS NOT** eligible for reimbursement under any other program or by any other source. This includes, but is not limited to, Insurance Plans and Flexible Spending Accounts. Any portion of an expense reimbursed by the HRA **IS NOT** eligible as a deduction on your income taxes.
- If another source reimburses you and/or a provider (i.e. doctor, hospital, and clinic) for an expense that the HRA also reimburses you for, you are responsible for paying back the HRA Plan.
- You have the right to waive participation in the HRA program for you and your family. You must waive participation each Plan Year and the waiver must be completed prior to the Plan Year beginning. Please see your Human Resource department for a waiver form.
- Reimbursements are tax-free on your behalf.
- Your employer assumes the cost for the Plan's administration.
- This Employee Instruction Sheet is intended only as an overview of the HRA benefits. The HRA plan qualifications and limitations are stated in the Plan Document. The Plan Document determines how the HRA plan benefits will be administered.

If you have questions on the program, please call DBS at 1-800-234-1229.

DBSbenefits.com

