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Barnstable County

**Health Reimbursement Arrangement (HRA)
Fee Schedule
Plan Year July 1, 2010 - June 30, 2011**

HRA Administrative fee:

\$5.00 Per Participant Per Month

- Plan Design/Initial plan setup
- Plan notice/documents
- Contribution reconciliation
- Claim processing/HRA Claim form(s)
- Claims paid twice month via check/weekly via direct deposit
- Account Reporting
- Catastrophic account tracking/reimbursement (20% of HRA maximum)

Eligible expenses for reimbursement include:

- Limited to deductible expenses only
- Full Section 213 expenses (similar to FSA)
- Custom expense list (Custom co-pay amounts for BCBS and Harvard Pilgrim Plans)

Sheila E. Lyons
Sheila E. Lyons, Commissioner

Mary Pat Flynn
Mary Pat Flynn, Chair

Accepted: William Osherty
William Osherty, vice-chair

Date: 6/23/10

Created: 6/1/2010



HEALTH REIMBURSEMENT ARRANGEMENT (HRA)

What is an HRA?

An HRA stands for a Health Reimbursement Arrangement. An HRA is an arrangement that is paid for solely by the employer and not provided pursuant to salary reduction election or otherwise under a § 125 cafeteria plan;

- reimburses the employee for medical care expenses (as defined by § 213(d) of the Internal Revenue Code) incurred by the employee and the employee's spouse and dependents (as defined in § 152); and
- provides reimbursements up to a maximum dollar amount for a coverage period and any unused portion of the maximum dollar amount at the end of a coverage period may be carried forward to increase the maximum reimbursement amount in subsequent coverage periods.

What options are available for plan design?

HRAs give the employers vast design options to set up benefits to specifically meet the needs of the employer and the employee. You need to know the plan design potentials before you can implement the optimal plan design.

What are the plan design options for Participants?

Participants can be limited to certain classes of employees (such as factory workers or office staff) if doing so does not violate the Code § 105(h) nondiscrimination rules. Participants can also include retirees.

What are the plan design options for Employer Contributions?

Since HRAs are not subject to the FSA Uniform Coverage rule, the employee can be limited to be reimbursed for no more than the employer has contributed to date less any previously reimbursed expenses.

A common approach is the Employer can make an annual, quarterly or monthly contribution, and the entire amount is available for reimbursement as of the first day of the Plan Year.

Another option is to have the TPA reimburse the employee and then invoice the employer for eligible claims submitted and paid, this is done on a monthly basis.

What are the plan design options for the date the expenses were incurred?

The regulations allow eligible expenses incurred in a previous Coverage Period to be reimbursed if the employee was a participant at that time.

Although HRA rules allow plan expenses to run into following plan years, this plan design will only allow expenses provided WITHIN the designated plan year.

What are the plan design options for Eligible Expenses?

The HRA can be designed to reimburse only certain of the expenses eligible under an HRA. For instance, an HRA can be set up to pay only coinsurance, copays, and deductibles.

What are the plan design options for Eligible Dependents?

The HRA can be designed to reimburse only the eligible expenses of just the Employee or the Employee and Dependents. Retirees may also be included in the HRA plan.

What are the plan design options for Carry-Over of unused funds?

First, it is not required for unused funds to be carried forward. However, if the employer wishes to allow the carryover of unused funds, then unused funds are usually done on either a percentage or dollar basis.

For the purposes of this plan design, there will be NO carry-over of unused funds.

Barnstable County
Health Reimbursement Arrangement (HRA)
Claim Voucher
JULY 1, 2010 TO JUNE 30, 2011

CPA, INC.
 420 Washington Street, Suite 100
 Braintree, MA 02184

(781) 848-9848 (Phone)
 (781) 848-8477 (Fax)

EMPLOYEE: _____ SS#: _____

ADDRESS: _____ CITY: _____

STATE: _____ ZIP: _____ PHONE: () _____ E-MAIL: _____

Reimbursement for subscriber and family members enrolled in Rate Saver health plans.

EXPENSES MUST BE OCCURRED BETWEEN JULY 1, 2010 TO JUNE 30, 2011

Type Of Medical Care Expense	Reimbursable Co-Pay Amount	Number (visits, admissions, incidents, or prescriptions)	Total Reimbursement (Number times reimbursable amount)
<i>Example: Office Visit Co-pay</i>	<i>\$10 per visit</i>	<i>3</i>	<i>\$30</i>
All Office Visit Copays & Other Medical Care Expenses Subject to the Primary Care Co-pay	\$10 per visit		
Office visit—Specialist Care	\$10 per visit		
Emergency Room Visit (not admitted)	\$25 per visit		
In-patient admission	\$300 per admission		
Same-day Surgery (excludes colonoscopy)	\$200 per incident		
Prescription drug—Retail	\$10 for each prescription		
Prescription drug—Mail Order	\$20 for each prescription		

TOTAL CLAIM AMOUNT: \$ _____

This is to certify that I have incurred the expenses listed above that qualify for reimbursement under the Barnstable County Health Reimbursement Arrangement. I have not been reimbursed from any other source including insurance programs or other programs offered by my employer. None of these expenses have previously been submitted. I understand and agree that since these expenses are to be reimbursed they may not be claimed as deductions for income tax purposes. I hereby request reimbursement for these claims. **All medical claims submitted require copies of original invoices or receipts.**

PARTICIPANT'S SIGNATURE: _____ DATE: _____

HRA-105 PLAN DESIGN

Employer Name: Barnstable County

Business entity type
(C, Sub-S, LLC, other): Government

Plan Year: July 1, 2010 - June 30, 2011

Type of HRA
(linked, non linked): Linked

Participants need to be a participant in Cape Cod Municipal Health Group "Rate Saver Plan" (Blue Cross or Harvard) to be eligible for HRA participation

Eligible Employees/dependents: Full time and Part time benefit eligible employees
Participating in "health plan"

Spouse/dependents included

Retirees ~~not~~ included

Eligible Expenses (custom): Custom co-pay amounts for various Medical Plans

Employer Contributions: \$400 - Individual
\$800 - Single parent/ 1 child
\$1,000 - Family

Catastrophic account funding/reimbursement 20% of enrolled HRA max.

Funding (general assets): Funds remain general assets of employer, no trust account required

Funds paid monthly or as claims are submitted and approved for payment

Carryovers: (Percent/Cap): None, unused funds returned to employer

Spend-Down Feature: Terminated employees are not included in plan as of termination date

Insurance Premiums: Not included in this plan/not reimbursable

HRA vs. Health FSA Ordering Rule: HRA first then FSA if applicable