

# Health Reimbursement Arrangement Overview

Paying for health care is now easier *and* less expensive with a Health Reimbursement Arrangement (HRA) from ConnectYourCare.

## What is an HRA?

A Health Reimbursement Arrangement is a tax-advantaged account funded by your employer to cover your health care costs. The money contributed to this account is not taxed, and you can access these funds to pay for any qualified medical expense for you or your dependents.

- **Multiple uses.** There are many eligible expenses for your HRA funds, including prescriptions, doctor office copays, and other medical expenses. HRA funds may even be used for eligible expenses for your spouse or federal tax dependents. See the list of Eligible Expenses in this guide for more details.
- **Easy to access.** Funds in the account are easily accessed with the payment card. Your account balance is available at any time online or over the phone.
- **Rapid reimbursements.** Paying for health care expenses is easy when you use your payment card. If you do not use your card, you can quickly and easily create your claim online. Once you submit your receipts, we will reimburse you via check or direct deposit.
- **Out-of-pocket costs are covered.** You are responsible for any portion of your health care that is not covered by your medical, dental or vision plans, including the deductible, copays, coinsurance and other un-reimbursed amounts. The HRA can be used to cover these costs.
- **Tax advantages.** Contributions are not taxable to you, and distributions are not taxable as long as they are spent on eligible health care expenses.

Don't be the last to enroll in an HRA! It's quick, easy and no cost to you.

## HRA Rules & Regulations

- Only your employer can contribute to an HRA; no employee contributions are allowed.
- The IRS requires that all HRA purchases be verified as eligible expenses. Sometimes, purchases are automatically verified when you use your card. Other times, we will request itemized receipts.



- **Always save your itemized receipts!** At times, we may request documentation to verify your purchase was eligible. It's a quick and easy process to submit receipts, but keeping your itemized receipts on file makes it easier when the time comes.

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## Using Your Health Reimbursement Arrangement

We make it easy to access and use your account funds. There are two ways to pay for health care.

1. **Use Your Payment Card:** This is the simplest way to purchase health care! Provide your card to a qualified merchant or provider, and they will swipe your card like any other credit or debit card to pay for your purchase.
2. **Pay with Personal Funds and Request Reimbursement:** Pay using your own personal credit card, cash, or check and keep your itemized receipt as documentation. Then, log on to your online account to file for reimbursement and upload documentation. You can receive reimbursement funds via check or direct deposit.



**Tip:** Set up direct deposit online to receive quicker reimbursements.

### How to Pay at...

- **The Doctor or Hospital.** When you pay for health care at the doctor, dentist, eye doctor, or hospital, be sure to always present your health insurance ID card first to ensure proper processing of your charges.

If you are asked to pay a copay, you may pay with your payment card, or you may pay using personal funds and request reimbursement online. Save your itemized receipt to submit as documentation.

If you're asked to pay for additional charges, do not pay your provider until the claim is processed by your health plan and you receive your Explanation of Benefits (EOB) in the mail. This helps avoid overpayment. Compare your EOB with the provider bill to verify the amount being charged by your provider is the same as the patient balance on the EOB. You may then pay using your payment card, or pay using personal funds and request reimbursement online using your EOB or itemized provider bill as documentation.

- **The Pharmacy.** When purchasing prescriptions, be sure to always present your health insurance ID card first to ensure proper processing of your charges. You may pay with your payment card, or you may pay using personal funds and request reimbursement from your account. Save your itemized receipts to submit as documentation, as you may be required to substantiate the expense.

Learn more about HRAs!

[www.connectyourcare.com/hravideo](http://www.connectyourcare.com/hravideo)



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## Using Your Payment Card

We provide a convenient payment card to access account funds. You will receive this card in the mail.

Below are four tips to make using your payment card simple and easy.

- 1. Pay for Qualified Expenses with Your Card.**  
Pay for qualified products and services directly at approved merchants (see sidebar). The money comes right out of your health care account. Provide your card to a qualified merchant or provider, and they will swipe your card like any other credit or debit card to pay for your purchase. If asked, select "credit," to use it without a personal identification number (PIN), or "debit" to use a PIN. There is a preset PIN associated with your card, which is the last 4 digits of your card number. To select a different PIN, call 888.999.0121.
- 2. Get Your Balance.** By frequently checking your account balance online, you will have a good idea of the amount of funds available in your account. When you swipe your payment card, the system makes sure that your coverage is active and that you have sufficient funds in your account for the full amount. If not, the transaction will be denied. You can swipe the card for the amount left in your account and pay the difference with another form of payment.

### Use Your Card at Approved Merchants

Your card has been programmed to work only at merchant locations that are designated as health care merchants based on their Merchant Category Code (MCC).

Examples of qualified merchants include doctor's offices and hospitals. The card should only be used to pay for eligible medical expenses, and you should always save your receipts.

You will not be able to use your payment card at locations that are not approved health care merchants. Visit [www.connectyourcare.com/stores](http://www.connectyourcare.com/stores) for a list of approved merchants.

For qualified purchases at locations that are not approved health care merchants, you can pay with other means, then submit a request for reimbursement through your online account.

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- 3. Know What's Eligible.** Familiarize yourself with what expenses are eligible using the list of Eligible Expenses in this guide, your online account, or your employer's plan documents. Examples of eligible expenses are doctors' visits, prescription drugs and other medical expenses. If you use the card for ineligible expenses, you may be asked to write a personal check to refund the plan.
  - 4. Save Your Itemized Receipts.** Although your payment card eliminates the need to file paper claims, the IRS requires that your charges be verified. Always save your itemized receipts in case they are required to confirm a purchase or for tax purposes.



## Using Your Online Account

Our online participant portal puts account information and health education tools at your fingertips.

### Online Account Features

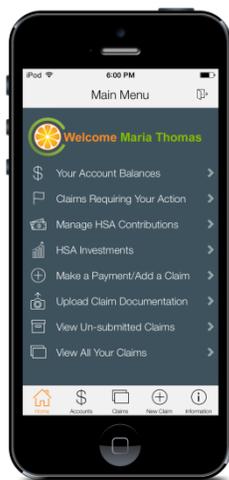
- Get account balance
- View payment card charges
- Enter a request for reimbursement
- View reimbursement requests
- Read important messages
- View reimbursement schedule
- Use health education tools
- Find answers to frequently asked questions

## Mobile Solutions

### Mobile App

We offer a secure, interactive mobile application for Android, iOS and Windows devices.

- View account balance, account alerts and transaction history
- View all claims, claims requiring action, and claims details
- Submit a new claim
- Make payments with Online Bill Pay and Click-to-Pay (if applicable)
- Receive important account alerts
- Tap to call Customer Service
- Upload claim documentation – quick and easy way to submit receipts using your device's camera.



### Mobile Alerts and Two-Way Texting

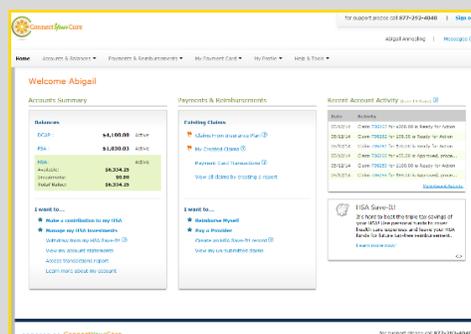
Our Mobile Alerts feature lets you access account information at any time using text messaging. Simply opt into the service online. You may also opt into a text alert service that lets you know immediately after you use your payment card if that purchase requires additional documentation. This way, you always know when to save your itemized receipts.

### Mobile Browser

We also offer a streamlined version of your online account that allows you to access your most important account information including account balances, transaction history, claim summaries, claim details and FAQs all on your smartphone without having to download our mobile app.

## Where to Begin

- Go to [www.connectyourcare.com](http://www.connectyourcare.com).
- Select the log in link from the upper right hand corner.
- Sign in with your user name and password.
- If it is your first time visiting the site, choose New User Registration to select your name and password.



## Enter a New Claim

If you pay for an expense using personal funds (not your payment card), you will need to enter a claim for reimbursement. Entering a new claim is easy.

- Log into your online account or mobile app.
- Click to add a new request for payment or reimbursement.
- Enter the required information about your expense.
- Follow the instructions to submit your documentation via upload, fax, or postal mail.

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## Eligible HRA Expenses

There are many uses for your HRA funds, including prescriptions, doctor office copays, health insurance deductibles and coinsurance.

- Anesthesia
- Chiropractic care
- Flu shot
- Hearing aids
- Hospital room and board
- Physical exam
- Physical therapy
- Prescriptions
- Psychiatric care
- Surgery
- Wheelchair

**Use your Health Reimbursement Arrangement for a number of qualified expenses.**



## Ineligible HRA Expenses

These items are never eligible for tax-free purchase with HRA funds.

- Cosmetic surgery
- Dental expenses
- Exercise equipment and fitness programs
- Funeral expenses
- Hair transplants
- Illegal operations and treatments
- Over-the-counter items
- Vision expenses

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## Frequently Asked Questions

### How can I find out my account balance and review transactions?

Account Balance and Claims Status information is available 24 hours a day, seven days a week:

- Visit [www.connectyourcare.com](http://www.connectyourcare.com) to log into your online account. If it is your first time visiting the site, click on the "Register" button to select your user name and password.
- Call the number on the back of your payment card for balance information.

### How will I be able to access my funds?

You will receive a payment card to access your HRA funds. Provide your card to a qualified merchant or provider, and they will swipe your card like any other credit or debit card to pay for your purchase. If asked, select "credit," to use it without a personal identification number (PIN), or "debit" to use a PIN. There is a preset PIN associated with your card, which is the last 4 digits of your card number. To select a different PIN, call 888.999.0121. You can also pay for eligible expenses with any other form of payment and request reimbursement from your account.

### When can I request reimbursement from my HRA?

You will have access to the funds in your account on the first day of your plan effective date.

### How will I receive my reimbursements?

You are eligible to receive funds by check or direct deposit. For quicker reimbursements, sign up for direct deposit in your online account.

### How do I set up direct deposit?

- Log into your online account and select Direct Deposit under My Profile.
- Complete the short, secure form. Be sure to have your bank account and routing numbers on hand.
- Choose Direct Deposit as your preferred method of Claim Reimbursement and click the Confirm button.

### What happens if I use my account for a non-eligible expense?

If you file a manual request for reimbursement, the request will be denied. If you used your payment card and the expense is deemed ineligible, you will be required to reimburse your account for that transaction.

### How will I know if I need to submit a receipt?

You can review if your claim requires receipts online by logging into your account. You need to submit receipts if you see a notice. If a receipt is needed, you will also be notified by email or letter within a week of your payment card swipe. You should always save your receipts even if you have not received such a notice.

### What if I don't submit my receipts?

You must provide the receipts within the time requested, or the transaction will be deemed ineligible, and you will be required to refund the amount of the transaction. If you fail to submit required receipts within 45 days, your payment card will be deactivated. If you fail to reimburse the account, the amount of the ineligible expenses may be added to your W-2 or withheld from your pay.

### Is the payment card a debit card?

No, your payment card is a prepaid card. It is provided to give you quick access to the funds in your account.

### Where can I use my payment card?

Your payment card can be used nationwide at qualified merchants. Examples of qualified merchants may include pharmacies, doctors' offices, vision centers, and hospitals. Visit [www.connectyourcare.com/stores](http://www.connectyourcare.com/stores) for a list of approved merchants. Your card should only be used to pay for medical expenses eligible under your plan, and you should always save your receipts.

### Do I need to keep my receipts when I use my card?

YES! We may request documentation any time you use your payment card. Therefore, always hold on to your receipts in case further documentation is requested. Receipts must contain the date of service, name and address of service provider/merchant, description of the service or expense provided, amount charged, and name of person receiving care or service.

*Non-itemized cash register tapes, credit card receipts and cancelled checks alone do not provide proper substantiation.*

### Can I order a replacement or additional card for my spouse or dependent?

Yes. Simply log on to your online account or contact Customer Service to request an additional card.

This guide does not constitute tax advice. For more assistance, please contact your tax advisor. You can also find more information in IRS Publication 969 at <http://www.irs.gov/pub/irs-pdf/p969.pdf>. Please keep in mind that your state might have different tax rules. Always refer to your state's tax guidance regarding HRA taxation.