



Health Reimbursement Arrangement

Services Provided

- ✓ Plan Document IRS
- ✓ 5500 Assistance
- ✓ Employer Education & Consultation
- ✓ Custom Plan Design
- ✓ Online Enrollment via BMA portal
- ✓ 24/7 Web & Mobile App Access
- ✓ Manual Claims Submission
- ✓ Customer Service Assistance
- ✓ Manual Claims Adjudication
- ✓ "eClaims" Auto Claims Adjudication
- ✓ Direct Deposit for Reimbursements

Why Add a HRA Benefit Plan?

Health Reimbursement Arrangements empower employers with the ability to impact their insurance premiums with a consumer-driven approach to their plan design. By combining a higher deductible medical plan with a HRA, employers can reduce premium costs and encourage better medical and financial choices by funding limited employee expenses through an HRA.

HRA's are basically a "promise-to-pay" bookkeeping account funded by an employer; where actual cash is not transferred to the account until the expenses are incurred. You make tax-free distributions from your HRA to pay for their qualified medical expenses, as incurred. You can also offer an HRA with other health plans, including flexible spending accounts (FSAs).

Employers have the flexibility to design a HRA that meets their needs. Some common options include:

- Employer funds up to deductible
- Employer funds deductible plus coinsurance amounts
- Employer offers either of the above options with or without an FSA

Funding the Account:

- No minimum or maximum contribution requirements
- Contributions cannot be funded by salary reduction
- Contribution levels may be prorated for new hires
- Fund the account on a regular basis (i.e monthly) or in one lump sum (i.e. annually)
- Allow funds to rollover from year to year, enabling employees to accumulate money to pay for future healthcare expenses.
- Unused funds may be forfeited back to the employer when an employee is terminated (with the exception of COBRA)

Distributing Funds:

- Reimbursements must be Section 213 d eligible expenses
- Reimbursements cannot be for expenses incurred prior to existence of the HRA or prior to the employee being enrolled



Benefit Management Administrators

11550 W. IH 10, Suite 220, San Antonio, TX 78230 | bmatpa.com

For more information, please contact BMA at (800) 934-6302 or sales@bmatpa.com.