Answering Your HRA Questions

As you consider the UnitedHealthcare Health Reimbursement Account (HRA) Plan, keep these great benefits in mind:

You'll usually pay lower plan premiums and still get the same coverage as you would in a traditional copayment plan.
The plan coverage doesn't change. What does change is how the services are paid. In the case of the UnitedHealthcare HRA Plan, you may have a higher plan deductible. That is why your employer puts money in a health reimbursement account, or HRA. It’s there to help you pay the deductible. You may already feel like you are overpaying for your current health plan if you don’t use it very often. If that’s the case, think of the potential savings the HRA Plan can provide you, with lower premiums, 100% coverage on preventive care and a good portion of your deductible covered by the HRA.

The HRA will pay a portion of your plan deductible.
The money your employer puts into the HRA helps pay a portion of the plan deductible. The money may be enough to cover your medical expenses for the entire year. In addition, when the HRA pays for these expenses, the money also goes toward the plan’s out-of-pocket maximum. There is no “use it or lose it” rule. If you have dollars remaining at the end of the year, they may be able to roll over so you can use them next year. Please check your benefit plan documents to see if rollover is available with your plan.

Your preventive care is covered 100 percent in our network.
Preventive care services will include routine wellness exams, well-child exams, physicals, mammograms, flu shots and other immunizations. See your plan benefit documents for specific details on preventive care coverage.

You have protection from high out-of-pocket costs.
The plan protects you from high out-of-pocket costs with an out-of-pocket maximum. Once you reach this maximum, the plan will pay 100 percent of all expenses the rest of the plan year. Depending on your plan, you may reach your out-of-pocket maximum through your HRA payments, deductible expenses and coinsurance expenses.

Health reform and the HRA
With the passing of the health reform law, HRAs can no longer pay for over-the-counter (OTC) drugs and medicines unless you have a prescription. The HRA can still be used to pay for insulin and for many OTC supplies, if eligible under your plan.
What is a plan deductible?
The plan deductible is a fixed amount of money that must be paid before your health plan begins to pay for covered medical expenses. The only exception is with preventive care, because the plan will pay for those services 100 percent without requiring you to pay the deductible. Any eligible medical expenses are usually applied to the medical plan deductible and then paid by the HRA. If you spend all of the funds in your HRA before meeting your deductible, and you have additional expenses, you will be responsible for paying for those expenses out of your pocket until you reach the deductible. If you reach the deductible, the plan will start paying its portion of eligible expenses. The plan deductible will start over again in the new plan year.

Does each covered person in the HRA Plan get his or her own HRA?
No. There can only be one HRA, which is available to pay eligible expenses for all covered members on the plan.

What are eligible expenses?
Eligible expenses are health care expenses that the health plan says can be paid for or reimbursed. Examples of common eligible expenses include doctor visits, hospital stays, and lab work. The HRA is used to help pay for deductible expenses, which are eligible expenses that apply to the plan deductible.

The Internal Revenue Service, or IRS, defines which expenses qualify to be paid for and reimbursed by an HRA. Employers can choose which expenses from the list will be eligible under the plan. Be sure to review your benefit plan documents to learn what is eligible under your plan.

What expenses don't qualify as eligible expenses?
Examples of expenses that do not qualify as eligible expenses include cosmetic surgery, health club memberships, teeth whitening and over-the-counter medicines.

My plan has an HRA Access Point. What is this?
If the HRA Plan available to you has an HRA access point, this is the amount of money you must pay out of pocket for eligible expenses before your HRA dollars will be available to you.

How soon can I use the HRA dollars?
If the HRA Plan available to you is a “first dollar” plan, this means the entire amount is available for use right away, if needed. If the plan has an HRA access point, you must first pay out of pocket for eligible medical expenses until you reach the access point. Once you reach the access point, HRA dollars will be available to you. Please see your benefit plan documents to find out how much you must pay to reach the HRA access point.

Will the HRA pay for prescriptions?
This depends on the plan that is made available to you. If the HRA Plan available to you has a combined medical and pharmacy deductible, then the HRA will pay for prescriptions as long as they are eligible under your plan. Those expenses will go toward meeting the plan deductible. If all of the HRA dollars are spent, you will be responsible for paying the entire cost of your prescriptions out of your pocket until you reach the plan deductible. At that point, the health plan begins to pay the plan’s portion of eligible expenses. If the plan does not have a combined medical and pharmacy deductible, then in most cases, the plan will not permit HRA dollars to pay for prescription costs. And any money you pay out of pocket for prescriptions will not apply to your plan deductible. Some plans may allow HRA dollars to help pay for prescription expenses, but they may not allow those dollars to apply to the deductible. Please see your benefit plan documents to learn more about your prescription coverage.
If I need to pay for a doctor visit or for other medical care, how do I pay using HRA dollars?

The HRA Plan works as any other plan. You visit your network doctor and they will submit a claim. We process the claim to ensure that:

- We can determine if the claim is an eligible expense under your plan.
- We can determine whether the claim was for preventive care, so it can be paid 100 percent, which does not affect the HRA.
- You receive any discounts for seeing a network doctor.

If the expense is eligible and you owe a payment, we will automatically pay the claim for you using the money in the HRA.

Example

You visit your network doctor and present your health plan ID card so the office staff is aware of your plan. After your visit, the doctor will submit a claim to UnitedHealthcare for the cost of the visit.

1. UnitedHealthcare will process the claim at the rate agreed upon by the doctor.

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<tr>
<th>If the visit was for preventive care</th>
<th>If the visit was not for preventive care</th>
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<td>2. UnitedHealthcare will pay the claim 100 percent.</td>
<td>2. UnitedHealthcare will automatically pay the claim from the HRA, as long as money is available. This expense will also go toward the plan deductible (if not yet satisfied) and out-of-pocket maximum.</td>
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<td>3. If there aren’t enough HRA dollars or any HRA dollars remaining to cover the entire cost, UnitedHealthcare will notify both the doctor and you of the remaining amount you owe.</td>
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<td>4. The doctor will then be responsible for billing you directly.</td>
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<td>5. Once you receive the bill, you can pay the bill with cash or credit/debit card.</td>
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If you pay for any eligible expenses out of your own pocket, you can reimburse yourself from the HRA by submitting a reimbursement form.
Can I contribute my own money to the HRA? 
No. Federal tax law requires that only your employer can own and contribute to the HRA.

What happens if I don’t spend all of my HRA dollars at the end of the plan year? 
Your employer will typically fund the HRA each year. In addition, your plan may allow unspent HRA dollars to rollover and be used the following year (or years). See your benefit plan documents to learn if you can roll over unused HRA dollars and if there are rollover limits. Any amount that is available as rollover reduces your out of pocket costs for additional care that may be needed in the next year. Think of it as a safety net.

Can I be taxed for having the HRA or being enrolled in the HRA Plan? 
No. Any contributions your employer makes to an HRA are not taxable to you. Any payments made from the HRA are also not taxable to you.

Are major medical services (such as hospitalization and surgery) covered? 
Yes. The plan will provide coverage for major medical services after you meet the plan’s deductible. If you have HRA dollars, they will go toward paying for these services, which should apply to your deductible. After you reach your deductible, your health plan will pay its portion of eligible expenses for these services.

Do I get all of the HRA dollars if I’m hired anytime after the plan year starts? 
If you enroll in the HRA Plan at a time other than open enrollment, the HRA and/or your deductible may be prorated. This means that the HRA and deductible may be adjusted (lowered) based on the amount of time you will have coverage. See your benefit plan documents to learn more.

What happens to the HRA if I leave my job? 
If you leave your job, you will leave any unspent HRA dollars. The employer cannot cash out or distribute the unspent HRA dollars to you. However, you may have a right to continue coverage under the plan and/or the HRA under COBRA. See your benefit plan documents for information on COBRA coverage or state rules that apply to your plan.

I want my HRA dollars to go as far as possible. So how can I find out how much a treatment or procedure is going to cost? 
After you enroll, you will have tools on myuhc.com® like the Treatment Cost Estimator to help you make the best decision regarding your care. The Treatment Cost Estimator can help estimate the cost of treatments and other procedures based on your health plan, a specific doctor or hospital, and your ZIP Code. We also encourage you to ask your doctor how much a service or procedure might cost. Doctors and hospitals may charge different rates for the same services depending on where you go, so your choice can make a difference.

Can I have an HRA and a health care flexible spending account (FSA)? 
Yes. Federal tax law allows you to have an HRA and health care and/or dependent care flexible spending account, or FSA. There are federal guidelines that explain which expenses can be paid by each account.