

District Name _____

Teachers Administration ESP (Educational Support Professionals) Other _____

HEALTH REIMBURSEMENT ARRANGEMENT (HRA) NEGOTIATIONS CHECKLIST

If an HRA is offered in 2018, there are a number of decisions to be made during collective bargaining and before completing the HealthEquity HRA application.

The application is due to VEHI **no later than November 15, 2017**, to ensure that HealthEquity has sufficient time to set-up HRAs by a start date of **January 1, 2018**.

School districts will need to complete **one decision checklist** for each collective bargaining agreement (unless the CBA's terms apply to more than one work classification (e.g. teachers and ESP). The checklists below are to help school districts and local unions identify pertinent HRA issues and come to agreement on them to avoid any delay in set-up.



12/8/16

HealthEquity (HEQ) HRA Features

Once the parties to collective bargaining determine that an HRA will be offered with one or more plans, the following 10 issues need to be addressed for each plan design.

Issue 1. Annual HRA Employer Funding

How much will the employer contribute to pay for qualified medical expenses, based on an employee's enrollment tier (single, two-person, parent/child(ren), family)? Please note, if offering an HRA with a CDHP plan, first dollar coverage can negate HSA eligibility. If an employee also intends to contribute to an HSA to pay for qualified medical expenses, the HSA must be paired with a post-deductible HRA.

Issue 2. Availability of HRA Dollars

Will HRA dollars be available immediately for employee use, or will the employee be asked to meet a minimum, out-of-pocket expense before the district's contributions are available? Please note, if offering an HRA with a CDHP, first-dollar coverage can negate HSA eligibility. Therefore, if an employee intends to contribute to an HSA, then a post-deductible HRA must be used.

Issue 3. Access to a Debit Card (only available if HRA (district) pays first)

A debit card is only available for prescriptions with plans where the HRA pays first. If the member is required to pay a minimum before the HRA dollars are available, the debit card will not be an option.

Issue 4. Eligible expenses under HRA

HRAs have options when it comes to what services are reimbursable, and parties must agree at negotiations as to what those services will be. An HRA can cover just qualified medical or just pharmacy (eligible through the health plan) or all 213d IRS allowed qualified medical expenses, or any combination. An HRA can also cover, alone or in any combination, deductibles, copays or coinsurance. **Please note:** If 213d expenses are allowed, HRA funds can be used for services outside of the health plan (such as dental) and, thus, employees should be aware that funds may not be available to help with deductible and coinsurance.

Issue 5. Auto Payment after Integrated Claims Submission

There are three options for reimbursement:

- Auto payment to the **provider** will send any balance due from the patient to the provider, assuming it is a qualified expense, per the plan document, and funds are still available. This assumes the member has not paid the provider.
- Auto payment to the **member** means that the assumption is that the member has already paid the provider, or will pay the provider with the funds received.
- Or, you can leave it as "**manual**," which means the member can choose whom to reimburse for each claim.

Issue 6. Individual Payment Cap – Maximum amount of reimbursement per participant

Is there a maximum reimbursement that will be paid per individual? For example, if the district agrees to contribute a certain sum of money per family, will this come with a cap on each person in the plan, or will the family be permitted to use the totality of the district's contribution at its discretion?

Issue 7. Rollover – Unused Funds in Subsequent Years

Will a rollover of HRA funds be allowed, and if so, is there a limit? If a district has agreed to provide a designated amount of HRA funds per individual, and the individual didn't use any or all of the money, does it rollover to the next year? Is all of the designated amount eligible to be rolled over or only a portion? The districts will need to keep any prior-year rollover money as a liability on their books, in addition to the liability for the HRA dollars for the new year.

Issue 8. Length of Run-out

Run-out is the amount of time after the end of the plan year in which claims can be submitted. A typical run-out time is 90 days. This allows the members 90 days to have their prior year claims processed and reimbursed. It is important to note that while the vast majority of claims are processed within 30 days, most providers have a 6-month window to submit claims, and there are some providers that have up to 1 year. Districts cannot close out their books until the end of the run-out period.

Issue 9. Proration – Mid-year Hires Receive a Prorated Funding Amount

New employees that are hired at any point after the start of the calendar year, such as September 1, can be allotted their entire HRA amount or a portion, prorated to their start date. Please note that deductibles run calendar year and must be paid in full by new employees even if their coverage start date is late in the calendar year, such as September 1.

Issue 10. Administration Cost (billed to employer)

HealthEquity charges an administrative charge of \$3.45 per account per month. This is billed to the employer, but costs can be paid by or shared with employees, if agreed to by the parties at collective bargaining.

Platinum Plan HRA Decision Checklist

Below are the decisions to be made during collective bargaining to complete the HealthEquity HRA application due by 11/15/17 for 1/1/18

District Name _____

Teachers Administration ESP staff Other _____

HealthEquity (HEQ) Feature	Standard HEQ Offerings	Modification Options for HEQ
HRA for Platinum Plan <input type="checkbox"/> Yes (answer all questions on this page) <input type="checkbox"/> No (move on to next page)		
1. HRA employer funding	Single \$ _____ Parent/Child(ren) \$ _____ Two Person \$ _____ Family \$ _____	
2. Are HRA dollars available immediately or does the employee have a minimum amount to pay?	<input type="checkbox"/> HRA (district) pays first. Contribution noted above is available immediately upon effective date.	<input type="checkbox"/> Employee pays first. Indicate minimum amount below: Single \$ _____ Two-Person \$ _____ Parent/Child(ren) \$ _____ Family \$ _____
3. Debit Card (only available if HRA (district) pays first)	<input type="checkbox"/> Debit card is offered	<input type="checkbox"/> Debit card is not offered
4. Expenses eligible for payment under HRA	Type of covered expenses allowed: <input type="checkbox"/> Medical <input type="checkbox"/> Rx <input type="checkbox"/> All 213d expenses Cost-shares eligible for reimbursement: <input type="checkbox"/> Deductible <input type="checkbox"/> Co-pays <input type="checkbox"/> Coinsurance	
5. Auto payment after integrated claims submission	<input type="checkbox"/> Auto pay to provider Can employee change this feature? <input type="checkbox"/> No <input type="checkbox"/> Yes	<input type="checkbox"/> Auto pay to member <input type="checkbox"/> No auto pay (manual)
6. Individual payment cap – maximum amount of reimbursement per participant	<input type="checkbox"/> No payment cap	<input type="checkbox"/> Add a payment cap per participant \$ _____
7. Rollover – unused funds can be used in subsequent years	<input type="checkbox"/> No rollover	<input type="checkbox"/> Allow rollover Rollover maximum \$ _____
8. Runout – the amount of time after the end of the plan year in which claims can be submitted	<input type="checkbox"/> 90 days	<input type="checkbox"/> 30 days <input type="checkbox"/> 60 days <input type="checkbox"/> other _____
9. Proration – amount of funding for employees hired for less than a full plan year	<input type="checkbox"/> Monthly proration	<input type="checkbox"/> All funds available once employee is eligible for the health plan <input type="checkbox"/> Quarterly proration <input type="checkbox"/> Other proration _____
10. Who covers the cost of administration (administration costs are billed to employer, \$3.45 per contract per month) This is not a question on the HRA application	<input type="checkbox"/> Employer	<input type="checkbox"/> Employee <input type="checkbox"/> Shared cost

Gold Plan HRA Decision Checklist

Below are the decisions to be made during collective bargaining to complete the HealthEquity HRA application due by 11/15/17 for 1/1/18

District Name _____

Teachers Administration ESP staff Other _____

HealthEquity (HEQ) Feature	Standard HEQ Offerings	Modification Options for HEQ	
HRA for Gold Plan <input type="checkbox"/> Yes (answer all questions on this page) <input type="checkbox"/> No (move on to next page)			
1. HRA employer funding	Single \$ _____ Parent/Child(ren) \$ _____ Two Person \$ _____ Family \$ _____		
2. Are HRA dollars available immediately or does the employee have a minimum amount to pay?	<input type="checkbox"/> HRA (district) pays first. Contribution noted above is available immediately upon effective date.	<input type="checkbox"/> Employee pays first. Indicate minimum amount below: Single \$ _____ Two-Person \$ _____ Parent/Child(ren) \$ _____ Family \$ _____	
3. Debit Card (only available if HRA (district) pays first)	<input type="checkbox"/> Debit card is offered	<input type="checkbox"/> Debit card is not offered	
4. Expenses eligible for payment under HRA	Type of covered expenses allowed: <input type="checkbox"/> Medical <input type="checkbox"/> Rx <input type="checkbox"/> All 213d expenses Cost-shares eligible for reimbursement: <input type="checkbox"/> Deductible <input type="checkbox"/> Co-pays <input type="checkbox"/> Coinsurance		
5. Auto payment after integrated claims submission	<input type="checkbox"/> Auto pay to provider Can employee change this feature? <input type="checkbox"/> No <input type="checkbox"/> Yes	<input type="checkbox"/> Auto pay to member <input type="checkbox"/> No auto pay (manual)	
6. Individual payment cap – maximum amount of reimbursement per participant	<input type="checkbox"/> No payment cap	<input type="checkbox"/> Add a payment cap per participant \$ _____	
7. Rollover – unused funds can be used in subsequent years	<input type="checkbox"/> No rollover	<input type="checkbox"/> Allow rollover Rollover maximum \$ _____	
8. Runout – the amount of time after the end of the plan year in which claims can be submitted	<input type="checkbox"/> 90 days	<input type="checkbox"/> 30 days <input type="checkbox"/> 60 days <input type="checkbox"/> other _____	
9. Proration – amount of funding for employees hired for less than a full plan year	<input type="checkbox"/> Monthly proration	<input type="checkbox"/> All funds available once employee is eligible for the health plan <input type="checkbox"/> Quarterly proration <input type="checkbox"/> Other proration _____	
10. Who covers the cost of administration (administration costs are billed to employer, \$3.45 per contract per month)	<input type="checkbox"/> Employer	<input type="checkbox"/> Employee	<input type="checkbox"/> Shared cost
This is not a question on the HRA application			

Gold CDH Plan HRA Decision Checklist

Below are the decisions to be made during collective bargaining to complete the HealthEquity HRA application due by 11/15/17 for 1/1/18

District Name _____

Teachers Administration ESP staff Other _____

HealthEquity (HEQ) Feature	Standard HEQ Offerings	Modification Options for HEQ
<p>HRA for Gold CDHP* <input type="checkbox"/> Yes for all eligible employees (answer all questions on this page) <input type="checkbox"/> Yes for ineligible HSA employees only (answer all questions on this page) <input type="checkbox"/> No (move on to next page)</p>		
1. HRA employer funding*	Single \$ _____ Parent/Child(ren) \$ _____ Two Person \$ _____ Family \$ _____	
2. Are HRA dollars* available immediately or does the employee have a minimum amount to pay?	<input type="checkbox"/> HRA (district) pays first. Contribution noted above is available immediately upon effective date.	<input type="checkbox"/> Employee pays first. Indicate minimum amount below: Single \$ _____ Two-Person \$ _____ Parent/Child(ren) \$ _____ Family \$ _____
3. Debit Card (only available if HRA (district) pays first)	<input type="checkbox"/> Debit card is offered	<input type="checkbox"/> Debit card is not offered
4. Expenses eligible for payment under HRA	Type of covered expenses allowed: <input type="checkbox"/> Medical <input type="checkbox"/> Rx <input type="checkbox"/> All 213d expenses Cost-shares eligible for reimbursement: <input type="checkbox"/> Deductible <input type="checkbox"/> Co-pays <input type="checkbox"/> Coinsurance	
5. Auto payment after integrated claims submission	<input type="checkbox"/> Auto pay to provider Can employee change this feature? <input type="checkbox"/> No <input type="checkbox"/> Yes	<input type="checkbox"/> Auto pay to member <input type="checkbox"/> No auto pay (manual)
6. Individual payment cap – maximum amount of reimbursement per participant	<input type="checkbox"/> No payment cap	<input type="checkbox"/> Add a payment cap per participant \$ _____
7. Rollover – unused funds can be used in subsequent years	<input type="checkbox"/> No rollover	<input type="checkbox"/> Allow rollover Rollover maximum \$ _____
8. Runout – the amount of time after the end of the plan year in which claims can be submitted	<input type="checkbox"/> 90 days	<input type="checkbox"/> 30 days <input type="checkbox"/> 60 days <input type="checkbox"/> other _____
9. Proration – amount of funding for employees hired for less than a full plan year	<input type="checkbox"/> Monthly proration	<input type="checkbox"/> All funds available once employee is eligible for the health plan <input type="checkbox"/> Quarterly proration <input type="checkbox"/> Other proration _____
10. Who covers the cost of administration (administration costs are billed to employer, \$3.45 per contract per month)	<input type="checkbox"/> Employer	<input type="checkbox"/> Employee <input type="checkbox"/> Shared cost
This is not a question on the HRA application		
<p>*CDHPs will not be HSA compatible for any employee if (a) HRA dollars are available to the employee immediately or (b) if the employee is not responsible for minimum out-of-pocket costs of \$1,300 for a single plan or \$2,600 for a two-person, rent/child(ren), or family plan. In respect to (a) above, if an employee wishes to contribute to an HSA and avail him/herself of HRA funds as well, a <u>post-deductible HRA</u> must be used.</p>		

Silver CDH Plan HRA Decision Checklist

Below are the decisions to be made during collective bargaining to complete the HealthEquity HRA application due by 11/15/17 for 1/1/18

District Name _____

Teachers Administration ESP staff Other _____

HealthEquity (HEQ) Feature	Standard HEQ Offerings	Modification Options for HEQ
<p>HRA for Silver CDHP*</p> <p><input type="checkbox"/> Yes for all eligible employees (answer all questions on this page)</p> <p><input type="checkbox"/> Yes for ineligible HSA employees only (answer all questions on this page)</p> <p><input type="checkbox"/> No (checklist complete)</p>		
1. HRA employer funding*	Single \$ _____ Parent/Child(ren) \$ _____ Two Person \$ _____ Family \$ _____	
2. Are HRA dollars* available immediately or does the employee have a minimum amount to pay?	<input type="checkbox"/> HRA (district) pays first. Contribution noted above is available immediately upon effective date.	<input type="checkbox"/> Employee pays first. Indicate minimum amount below: Single \$ _____ Two-Person \$ _____ Parent/Child(ren) \$ _____ Family \$ _____
3. Debit Card (only available if HRA (district) pays first)	<input type="checkbox"/> Debit card is offered	<input type="checkbox"/> Debit card is not offered
4. Expenses eligible for payment under HRA	Type of covered expenses allowed: <input type="checkbox"/> Medical <input type="checkbox"/> Rx <input type="checkbox"/> All 213d expenses Cost-shares eligible for reimbursement: <input type="checkbox"/> Deductible <input type="checkbox"/> Co-pays <input type="checkbox"/> Coinsurance	
5. Auto payment after integrated claims submission	<input type="checkbox"/> Auto pay to provider Can employee change this feature? <input type="checkbox"/> No <input type="checkbox"/> Yes	<input type="checkbox"/> Auto pay to member <input type="checkbox"/> No auto pay (manual)
6. Individual payment cap – maximum amount of reimbursement per participant	<input type="checkbox"/> No payment cap	<input type="checkbox"/> Add a payment cap per participant \$ _____
7. Rollover – unused funds can be used in subsequent years	<input type="checkbox"/> No rollover	<input type="checkbox"/> Allow rollover Rollover maximum \$ _____
8. Runout – the amount of time after the end of the plan year in which claims can be submitted	<input type="checkbox"/> 90 days	<input type="checkbox"/> 30 days <input type="checkbox"/> 60 days <input type="checkbox"/> other _____
9. Proration – amount of funding for employees hired for less than a full plan year	<input type="checkbox"/> Monthly proration	<input type="checkbox"/> All funds available once employee is eligible for the health plan <input type="checkbox"/> Quarterly proration <input type="checkbox"/> Other proration _____
10. Who covers the cost of administration (costs are billed to employer, \$3.45 per contract per month)	<input type="checkbox"/> Employer	<input type="checkbox"/> Employee <input type="checkbox"/> Shared cost
This is not a question on the HRA application		

***CDHPs will not be HSA compatible for any employee if (a) HRA dollars are available to the employee immediately or (b) if the employee is not responsible for minimum out-of-pocket costs of \$1,300 for a single plan or \$2,600 for a two-person, rent/child(ren), or family plan. In respect to (a) above, if an employee wishes to contribute to an HSA and avail him/herself of HRA funds as well, a post-deductible HRA must be used.**