

# Health Reimbursement Accounts

**What is a Health Reimbursement Account?** Health Reimbursement Accounts (HRAs) are IRS-approved reimbursement accounts which enable you to pay or be reimbursed for medical expenses incurred or insurance premium for health, dental, vision, long-term disability (LTD) or Long-Term Care (LTC) as provided by §213(d) IRC.

## What HRA expenses are eligible for reimbursement?

Eligible HRA expenses include: co-payments, co-insurance, out-of-pocket medical expenses, dental & vision expenses, and premiums for health, LTD and LTC. Prescription and eligible Over-the-Counter (OTC) expenses can also be reimbursed through your HRA.

## What are the advantages to having an HRA?

- ▶ HRAs are 100% employer-funded.
- ▶ HRAs are not taxable
- ▶ HRA contributions are invested and participants are not taxed on the earnings.
- ▶ It can be used for reimbursement of your co-insurance payments, deductibles and co-pays.

## How do HRAs work?

When a full-time employee becomes eligible, Sonoma County will make a one-time, lump sum contribution of \$2,400. The contribution for eligible part-time employees will be pro-rated. Each pay period following the initial contribution, Sonoma County will contribute \$.58 for every hour the eligible employee is in pay status, up to 80 hours per biweekly pay period (excluding overtime hours). This includes periods of qualified leave with pay.

These funds cannot be used while you are actively employed by Sonoma County. During this time, the funds will be invested in securities (mutual funds) on a tax-free basis.

You may use these funds throughout your plan year to pay for your eligible medical expenses. Unused HRA balances are carried over from year to year (subject to established guidelines).

**Note:** Domestic Partners and dependents of Domestic Partners are not eligible for HRA participation or reimbursement.

## When will I have access to my HRA?

Employees are immediately vested in 100% of deposited HRA funds which are available for use once they terminate employment with Sonoma County and either attain age 50 or commence retirement benefits from the Sonoma County Employees' Retirement Association, whichever is earlier.

## How do I request reimbursement?

To submit for a claim for reimbursement, simply mail or fax a fully completed and signed HRA Reimbursement Request Form along with an Explanation of Benefits (EOB) from your health insurance provider that shows the specific type of service you received, the date and cost of the service and any uninsured/unreimbursed portion of the cost.

**Toll-Free fax:** 1-888-800-5217

**Mail to:** Fringe Benefits Management Company, a Division of WageWorks  
P.O. Box 1800  
Tallahassee, FL 32302-1800

## Direct Deposit

Expedite your HRA reimbursement by completing an enrollment form for Direct Deposit.

- ▶ HRA reimbursement funds are automatically deposited into your checking or savings account.
- ▶ There is no fee for this service.
- ▶ You don't have to wait for postal service delivery of your reimbursement.

## Who is Eligible?

Employees hired after January 1, 2009 are eligible to participate in this program under the following conditions:

- ▶ Employees who complete two (2) full years of consecutive regular service with the Employer and,
- ▶ who are contributing members of the Sonoma County Employees' Retirement Association during that period.

You may also be eligible to participate if you meet the following alternative conditions:

- ▶ Employees who are eligible to retire and terminate during designated windows as adopted.
- ▶ Employees who pursuant to collective bargaining Memorandum of Understanding (MOU) are eligible to participate.

**Questions?** If you have questions about how to access your HRA funds, how the funds are allocated or how to be reimbursed, please call 1-866-837-9053.