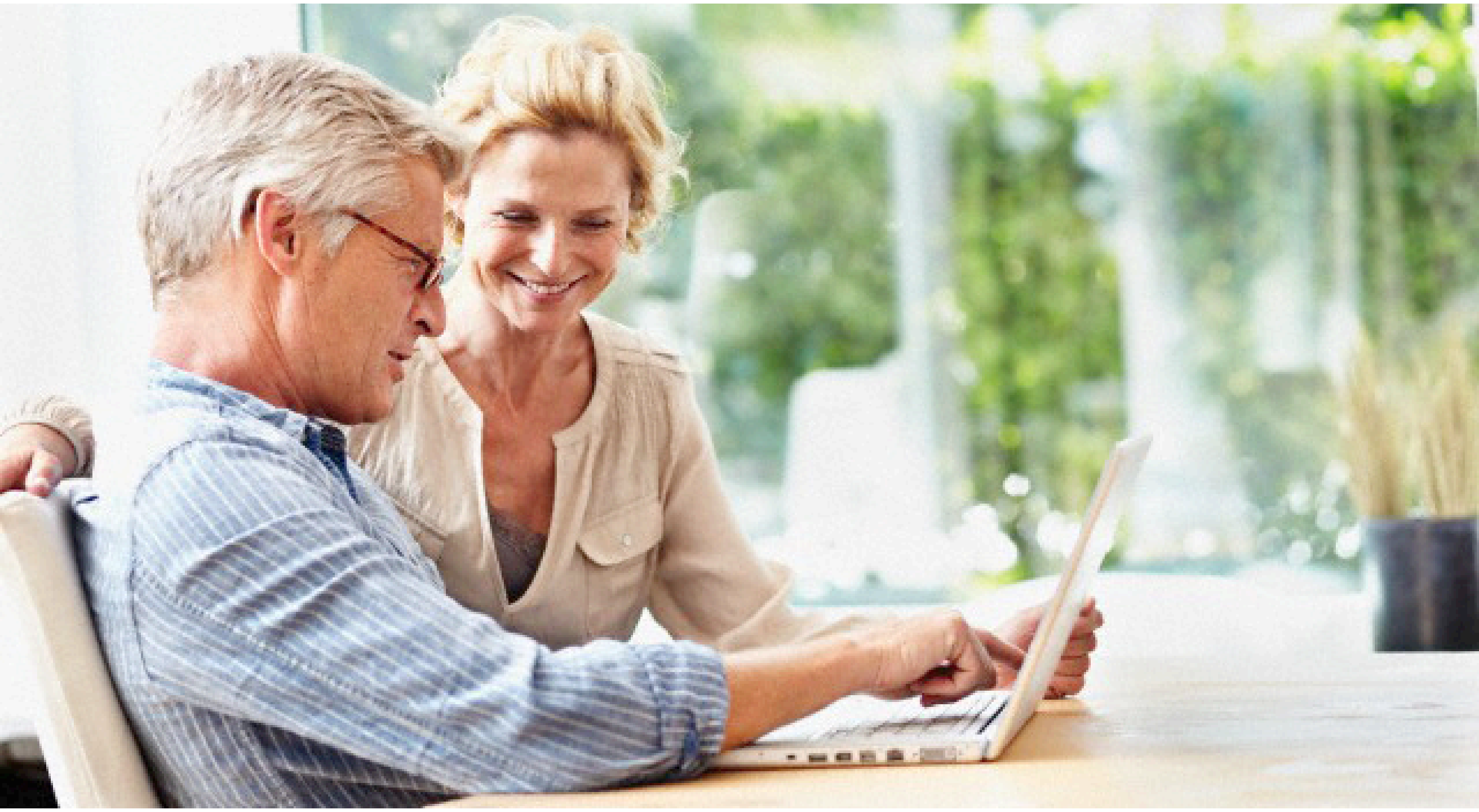
Health Reimbursement Arrangement: Retiree Plan



What is a Health Reimbursement Arrangement?

A Health Reimbursement Arrangement (HRA) is an employer-funded benefit in which your employer contributes money into an account which you can use to pay, or be reimbursed, for out-of-pocket medical, dental and vision expenses that you incur. The HRA is available to you and your dependents. HRAs are 100% employer-funded and not taxable to you the participant.

What contributions will be made to my HRA?

The contribution varies somewhat by bargaining unit. Check your MOU for complete details. In general, when a full-time employee becomes eligible after a 2 year qualification period, Sonoma County will make a one-time lump sum contribution. The contribution for eligible part-time employees is pro-rated. Each pay period following the initial contribution, Sonoma County will contribute $.58 for every hour in pay status up to a maximum of 80 hours biweekly (excluding overtime).

What types of expenses are reimbursable under this plan?

Examples of expenses that can be reimbursed under this plan include co-pays, hospital bills, prescriptions, dental expenses, vision expenses AND health insurance premiums (including long-term care). A more comprehensive list can be found in Publication 502 on the IRS website.

Are domestic partner expenses eligible for reimbursement?

No, unless the domestic partner is also a qualified dependent as defined by IRS Code Section 152. To be an IRS Qualified Dependent a dependent must fall into one of two categories defined by the IRS. They must either be a Qualifying Child, or a Qualifying Relative. There are specific tests that must be met under both categories for them to be considered IRS Qualified Dependents. Refer to the Overview of the Rules for Claiming an Exemption for a Dependent in IRS Publication 17 on the IRS website.

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How does the HRA debit card work?

Once becoming eligible to access your HRA balance, the HRA vendor will issue you a debit card. Additional debit cards for your spouse and dependents over age 18 can be requested after you receive your card. Your debit card is automatically activated upon first use. The cards are good for three years from the date of issue. This card is a limited access card. The HRA administrator, P&A, controls where the debit card can be used through Merchant Category Codes (MCCs) and the Inventory Information Approval System (IIAS) so that only eligible expenses can be charged at pre-approved locations such as doctor's offices, hospitals, pharmacies, dentists, opticians, and general merchants that sell eligible items. The card will not work if you attempt to purchase an ineligible item or swipe the card for more than the available balance. If your card is lost or stolen please notify P&A so we can deactivate the card and issue you a new one.

How do I request a reimbursement when I can't use my debit card?

To submit a claim you have three options:

1. Log into your P&A account at www.padmin.com. You can submit a claim electronically from your mobile phone, tablet or computer. Please note you will need to either upload a picture of your receipt or upload electronic copies of your receipt in order to submit your claim.
2. Fax a claim form (available at www.padmin.com) and copies of receipts to (877)855-7105.
3. Mail a claim form and copies of receipts to: P&A Group, 17 Court St. Suite 500, Buffalo, NY 14202

Please note manual claims take 3-5 business days to process. When submitting a manual claim you will have the option of receiving a check or direct deposit. If you would like direct deposit please visit our website at www.padmin.com and log on to your account to enroll. Or you can print the direct deposit authorization form on the website and submit it with your claim. Please note enrolling in direct deposit is the fastest way to receive your reimbursement.

When am I eligible to access the retiree HRA balance and start receiving reimbursements for eligible expenses?

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

P&A Customer Service Information

To speak with a customer service representative please call toll-free (800) 688-2611 or use the P&A live instant messaging system by visiting our website and clicking the "Live Chat" option at the bottom of the screen. Extended customer service hours for your convenience are Monday- Friday 5:30 AM - 5:00 PM Pacific Standard Time. Questions about eligibility can be directed to the Sonoma County Human Resources Benefits Office at (707) 565-2900.

Phone: (800) 688-2611
Web: www.padmin.com