

HEALTH REIMBURSEMENT ACCOUNTS

TIPS FOR UNDERSTANDING YOUR PLAN



QUESTIONS AND ANSWERS

QUESTIONS	ANSWERS
What is a health reimbursement account (HRA)?	An HRA is an account that your employer funds. You can use these funds to pay for eligible medical expenses.
What should I know about an HRA?	<ul style="list-style-type: none">▪ An HRA can only be used for eligible medical expenses.▪ An HRA doesn't earn interest, can't be invested and doesn't lower your payroll taxes.▪ Your employer determines when you can use HRA funds. For example, some HRAs require that you pay claims up to a certain amount before using your HRA.▪ If you change employers, you can't take an HRA with you.
Who can contribute to the account?	Only your employer contributes to your HRA.
How does it work?	Your employer sets up your account. They also determine what options are available to pay claims, such as a debit card, payment to your provider or online payment options.
What expenses can I pay from my HRA?	You can only use an HRA to pay for eligible medical services. Your coverage document, available from your employer, shows what your plan covers.
What if a claim is bigger than my HRA balance?	If you spend all the money in your HRA and have additional health care expenses, you'll need to pay for them with other funds.
Can I use an HRA for non-medical expenses?	No
Can I manage my account online?	Yes. When you enroll in an HRA, you'll receive more information about how to access your account online.

ACCOUNT COMPARISON

Below is a comparison of the different types of accounts you can use to pay for health care or dependent care expenses. (Your employer may not offer all four types of accounts.)

		HEALTH SAVINGS ACCOUNT	HEALTH REIMBURSEMENT ACCOUNT	FLEXIBLE SPENDING ACCOUNT	
				MEDICAL	DEPENDENT CARE
Who funds the account?		Employer and/or employee	Employer	Employee (and sometimes the employer)	Employee
2021	Contribution limit	\$3,600 (single) ¹ \$7,200 (family) ¹ Persons 55 and older can contribute an additional \$1,000	No limits	\$2,750 per calendar year ¹	\$5,000 per calendar year ¹
Eligible expenses		Deductibles, coinsurance, copays and IRS 213(d) expenses ²	Determined by your employer	Deductibles, coinsurance, copays and IRS 213(d) expenses ²	Child or other dependent care-related expenses
Can unused funds carry over?		Yes	Determined by your employer	Determined by your employer	No
Yours if you change jobs/retire?		Yes	No	No	No
Earns interest or can be invested?		Yes, if your account offers this option – check with your HSA administrator	No	No	No

¹ The IRS sets these amounts and adjusts them as needed for cost of living.

² See IRS Publication 502 on [IRS.gov](https://www.irs.gov).



Have a question?

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