

Description

A *health reimbursement arrangement* (HRA) is an employer-funded account that can be used to cover certain out-of-pocket medical expenses.

Funds contributed to the Member's HRA are tax-free to the employer and there is no IRS reporting requirement for the Member. Unspent HRA funds in one year generally do not roll over to the next year, although some employer groups may allow funds to roll over from year to year. Because the employer owns the HRA, unspent funds are not portable when the employee terminates employment.

HRA funds can be used for qualified health expenses, which include:

- Copayments for office visits and prescriptions
- Medical and prescription costs that count toward the Member's deductible
- Any applicable coinsurance

HRA-Compatible Plans

The HRA option is available with most Tufts Health Plan options.

Using the HRA

Members may use their pre-paid HRA debit card to pay for eligible copayments at the point of service. Charges to the card will be declined if no funds are available in the Member's HRA account.

Members should not use their debit card to pay for deductibles or coinsurance at the point of service, as appropriate Member responsibility for those amounts is determined when the claim has been processed by Tufts Health Plan. Members also should not use the HRA debit card to pay non-qualified medical expenses.

Members may also request that the HRA administrator pay the provider for an eligible expense. If that occurs, the provider will receive a check with a statement (an Explanation of Payment). Questions about the amount or reason for the check should be directed to the Member/subscriber.

