

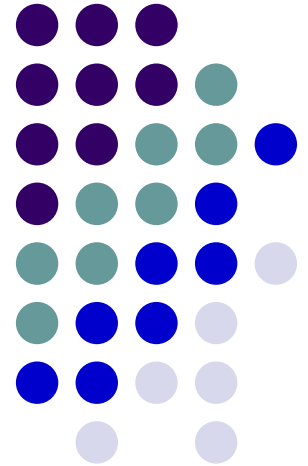
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Health Reimbursement Account

What is a Health Reimbursement Account (HRA)?

- ❑ An HRA is an account funded by employers to reimburse employees for healthcare expenses that are not covered by an insurance plan
- ❑ The employer can use an HRA account to reimburse employees for specific expenses or for any eligible medical expense as defined by the IRS
- ❑ Employees do not contribute towards an HRA. Employer controls all the money and reimbursements can only be made with this money



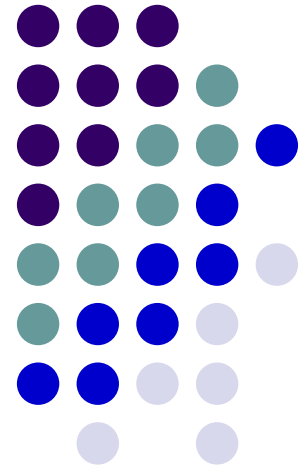
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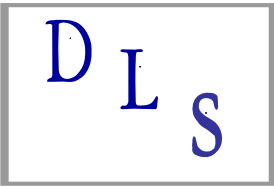
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Benefits an Employer Can Include in an HRA:

- ❑ Expenses not covered by health insurance such as co-pays, deductibles and prescriptions
- ❑ Employer can limit eligible expenses to specific scenarios (i.e. in-network deductible)
- ❑ Employer holds all the money until the employee actually incurs the expense
- ❑ Employer can limit when funds are available to their employees, allowing for better budgeting



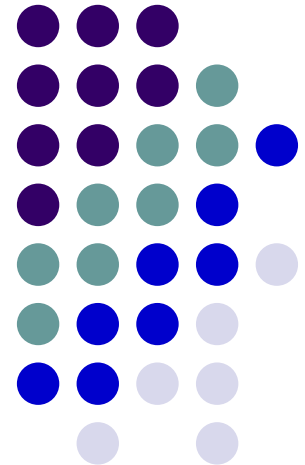


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What happens to funds an employer puts into an HRA?

- ❑ Once the plan is set up it pays for eligible expenses incurred by participants
- ❑ Funds can become available all at once or in equal portions throughout the plan year allowing the employer to budget for when payments will be made to employees
- ❑ The employer can choose to allow employees to roll over unused amounts into the next plan year or retain the money within the company



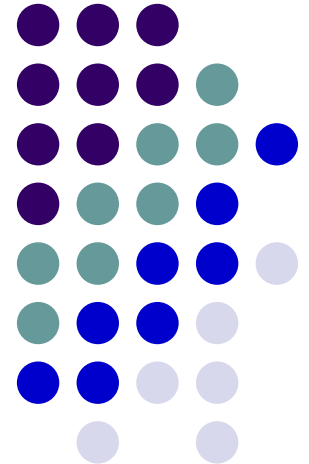
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Types of HRA's

- Bridge
- Comprehensive
- Limited
- Insurance Only



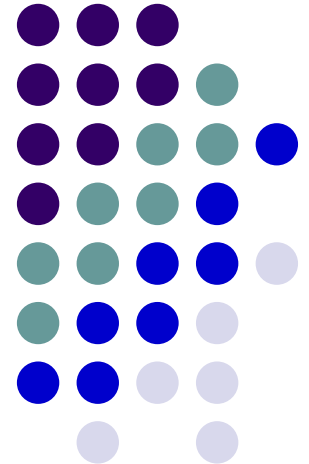
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Bridge

- ❑ Offered alongside a high deductible medical plan
- ❑ Only medical expenses applied to the employee's deductible would be eligible-providing a bridge between out-of-pocket expenses and insurance coverage



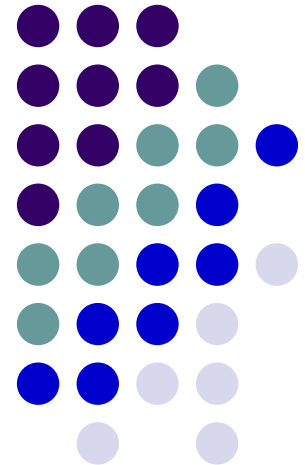
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Comprehensive

- All medical expenses not covered by an insurance plan are eligible (i.e.-co-pays, deductibles, insurance premiums, dental and vision services and over the counter drugs)
- Can be used in conjunction with a high deductible plan or as a stand alone product



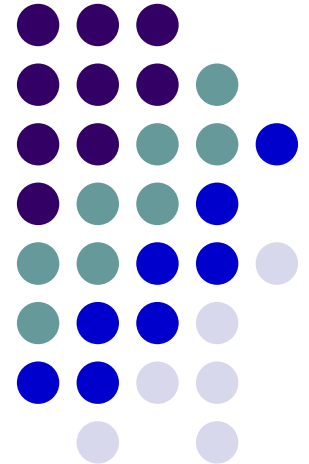
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Limited

- Limited to a certain type of expense, such as vision or dental, would be eligible. An employer can also choose to cover only a particular medical expense such as prescription or over the counter medication



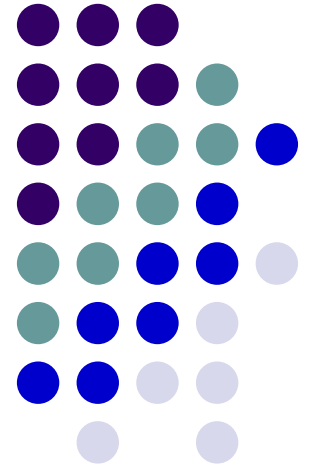
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Insurance only

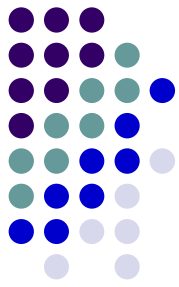
- Only premiums for insurance provided by the employer or individually owned health insurance & long term care insurance policies are eligible expenses





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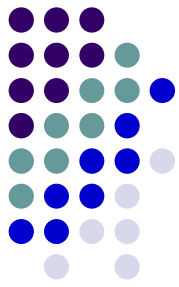


- ❑ Services include:
 - ❑ Employee communication materials, including enrollment forms
 - ❑ Summary Plan Description, including Corporate Resolution
 - ❑ Annual re-enrollment processing
 - ❑ Discrimination testing
 - ❑ Customer service support
 - ❑ Claims adjudication
 - ❑ Funding service options
 - ❑ Management reports
 - ❑ Participant reports, including quarterly activity reports



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□ Claim Reimbursement Process

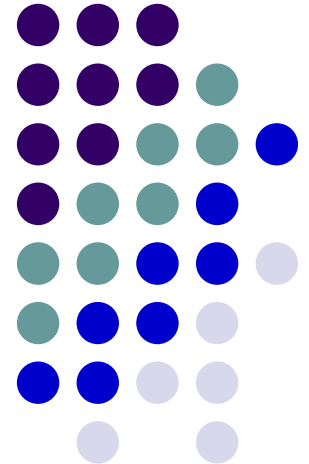
- Claim Forms will be furnished for each employee/participant. The form will detail the type of expense and require copies of “proof of service” (i.e. – EOB, store receipt, doctor’s invoice)
- Claims for reimbursement will be processed and posted for payment twice per month. Incomplete or incorrect claim submissions will be returned to the employee with a letter explaining why the claim has been rejected.
- On the reimbursement cycle date, all claims received to date are processed and funds are requested from the employer. Reimbursement checks are drafted and sent once employer funds become available to DLSBA.

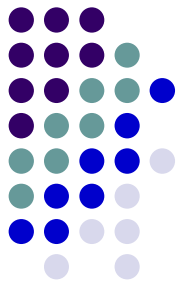
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- Client Bank Account Services
 - Claim reimbursement funds are administered through an DLSBA bank account.
 - Reimbursements to participants are processed twice per month. Checks are signed by DLSBA.
 - A Bank Reconciliation is made available to the employer monthly





Health Reimbursement Account

□ Base Services

- Claims adjudication
- Disbursements
- Monthly/ Quarterly Reports
- Maintenance and storage of all data
- Enrollments & terminations
- Compliance updates

□ Initial Set Up Services

- Plan set-up
- Enrollment kits for all eligible employees
- Plan document and SPD creation
- Employee enrollment meetings

□ Renewal Plan Years

- Includes all base services listed above, plus
- Plan document modifications
- Re-enrollment
- Discrimination testing

Fees and Charges

(Effective January 1, 2006)

Document Set-up Fee: \$500.00

HRA Set-up Fee: \$750.00

HRA Monthly Fee (w/o Benefits)

25-50 - \$6.00/Member

51-99 - \$5.50/Member

100-250 - \$4.75/Member

251-500 - \$4.25/Member

501-999 - \$4.00/Member

1000+ - \$3.75/Member

(Min. Monthly Charge - \$300.00)

HRA Monthly Fee (with Benefits)

25-50 - \$10.00/Employee*

51-99 - \$9.00/Employee*

100-250 - \$8.50/Employee*

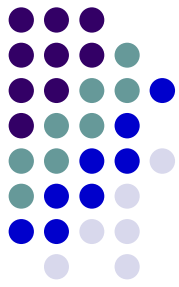
251-500 - \$8.00/Employee*

501-999 - \$7.50/Employee*

1000+ - \$6.75/Employee*

(Min. Monthly Charge - \$150.00)

***No additional charge for Dependents**



DLS Benefits Administrators, LLC

- ❑ Our parent company, Duffy & Livingston, LLC was established in 1997.
- ❑ DLSBenefits Administrators, LLC was formed in 2006.
- ❑ We currently provide insurance benefits and administrative services to thousands of employees covering professional associations, private employers, unions and municipalities.
- ❑ We guarantee customized solutions and personal services to all of our clients, ensuring that you will receive the most appropriate program at inception and continual support and advice that will exceed your expectations.