



IBEW9+MSECA

Retired Employees

HRA Benefit



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PARTNERS FOR PROGRESS

Coming March 1, 2017!

Exciting changes to the Local Union No. 9, IBEW and Outside Contractors Retired Employees Health and Welfare Plan



A wider range of covered benefits, including

- Dental care
- Vision care
- Premium reimbursement
- Co-pays and deductibles from other plans





A new, easier way to pay - A **VISA** pre-paid benefits card issued in your name that remembers your available balance



If you pre-decease your spouse, any balance you have remaining in your account will be transferred to your surviving spouse's account (this works both ways)

You might be asking, *how is this possible?* It's because our existing, traditional insurance-type plan is being converted to a Health

Reimbursement Arrangement (“HRA”). Your remaining available balance (which you will recall was initially \$30,000) will be loaded onto a  pre-paid benefits card. And the Board of Trustees has opted to open the HRA to include all IRS-allowed medical expenses.

Use your card to pay up front at the pharmacy, dentist, optometrist, chiropractor, or wherever your providers accept the  pre-paid benefits card.

Under the HRA plan, **your provider will no longer submit claims that you want the Local 9 plan to cover.** Instead, you’ll be using your new card to pay up front, directly to your provider.

If for some reason your provider does not accept the card, you simply pay up front and submit your itemized receipt to the Fund Office for reimbursement, and the Fund Office will reimburse you via Direct Deposit or paper check – your choice.

Keep in mind that when you pay for *prescriptions* with your new card, you won't need to submit receipts for verification. However, you will need to submit receipts for other services to the Fund Office for verification. Here's why:

Because an HRA is an IRS-regulated plan, only IRS-allowed expenses can be paid or reimbursed. The Fund Office will need to verify that any non-prescription expenses you pay for are IRS-allowed, so that our HRA stays in compliance.

As an example of why we need itemized receipts to verify allowable expenses, consider that a payment to your dentist could be for a bridge or crown - which are allowable - but it could also have been for teeth-whitening, which is not allowed by the IRS.

What you'll find in this package:

1. A booklet outlining IRS allowed and prohibited expenses under the HRA
2. A few copies of the forms you'll need for submitting itemized receipts and paper claims
3. A "Quick Facts" sheet
4. Some information about how your SavRx benefit is changing (SavRx will be sending you a separate mailer).
5. Instructions on how to use the web portal to manage your expenses and upload receipts.

Other Things to Remember

Thing 1 When you submit claims for reimbursement (things that you paid for up front **not** using your new card), there are two ways that your reimbursement will be considered:

1. If you sign up for **Direct Deposit**, you will be **reimbursed weekly** without needing to accumulate a minimum dollar amount in claims
2. If you prefer to be paid with a **paper check**, you will be **reimbursed monthly** - but only once your submitted claims reach a total of \$50 or more.

Thing 2 If you use your **VISA** benefits card and fail to submit the itemized receipt so that the Fund Office can substantiate it for the IRS, your account is subject to being suspended until the receipt is submitted and validated.

Thing 3 Your HRA account will not be replenished; remember, the amount of available funds in your account at March 1, 2017 (which is the initial \$30,000 you were awarded less any claims paid from it since then) is your lifetime spending limit for this HRA plan.

Thing 4 Fund Office staff will get your available balance from Carday mid-February in order to load that dollar amount onto your card. Any claims paid by Carday and SavRx between that date and March 1 will be manually entered to your HRA account by the Fund Office staff.

Thing 5 The HRA plan cannot reimburse expenses that have been paid by another insurance plan, such as Medicare, a Medicare supplement, or another employer plan.

Thing 6 The \$15,000 death benefit payable to the member's named beneficiary is still part of the Plan.

Coming Very Soon!

If you like the convenience of using your smartphone, we will soon be rolling out a smartphone app you can use to create a secure account where you can

- track your paid and unpaid claims, including the ones you paid by swiping your card
- check your available balance
- upload images of itemized receipts instead of mailing them
- sign up for email alerts about account activity
- and more!

Please read through **all** the materials in this package carefully. Then, if you still have questions, please call Becky or Sam at 866-661-1021, or email us:

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