

# Benefits



## HRA – Health Reimbursement Account

### What is a Health Reimbursement Account (HRA)?

A Health Reimbursement Account (HRA) is a tax-favored account that is funded by employers; employees are not permitted to make contributions. All employees who enroll in medical will receive a **Inspira Financial** debit card for easy access to your HRA funds.

HRA funds are used for medical, vision, dental and pharmacy expenses which includes copays, coinsurance and deductibles.

You pay no taxes on any amounts the University contributes to your HRA and no taxes on HRA amounts used to pay expenses. So, if you are set up to receive \$750 to your HRA and are in the 30% tax bracket, it's the equivalent of receiving \$975 in taxable income.

### How much does Yeshiva University contribute to the HRA?

Yeshiva's contribution depends on which plan you elect and whether or not you agree to pursue lifelong well-being. The following chart shows YU's HRA contribution amounts.

Health Reimbursement Account (HRA)	If you enroll in the:		
	EPO	PPO	High Deductible
YU makes a:			
Base contribution	\$250* for single coverage; \$500* for family coverage	\$0	\$500* for single coverage; \$1,000* for family coverage
Healthy incentive contribution (if you take the health pledge and agree to live a healthy lifestyle)	\$500* for single coverage; \$1,000* for family coverage	\$500* for single coverage; \$1,000* for family coverage	\$500* for single coverage; \$1,000* for family coverage
* These amounts are pro-rated for new hires based on eligibility date.			

### **Can I make contributions to the HRA?**

No, the IRS does not permit employee contributions to an HRA.

### **How is an HRA different from an HCRA?**

In order to have a **Health Reimbursement Account (HRA)** at the University, you must enroll in either the Aetna PPO or the Aetna EPO. In addition, only the University is permitted to make contributions to the HRA.

You can establish a **Health Care Reimbursement Account (HCRA)** whether or not you enroll for medical coverage. You make contributions to the HCRA through payroll deductions; the University does not contribute to an HCRA. When you incur an eligible expense (which includes medical, prescription drug, dental and vision expenses for you and/or your dependents), you can choose to pay your share of those expenses using an HCRA.

### **Can I use the HRA to pay expenses for my dependents?**

Yes you can use your HRA for your dependents.

### **Will I automatically receive the healthy incentive into my HRA?**

In order to receive the healthy incentive, you must complete two out of any three requirements each year by **October 31<sup>st</sup>** to be funded for the following year. Those actions are a **Health Assessment, Annual Physical** or a **Flu Shot**. You will receive more information about these requirements throughout the calendar year.

### **Why doesn't YU make a base contribution to the Empire PPO HRA?**

Our goal is to encourage maximum participation and utilization in the network option which will give you and YU the maximum savings. Aetna's EPO Plan guarantees deeper discounts and negotiated rates for facilities, doctors and other medical and mental health providers. The University provides a higher base contribution to the Aetna HDHP to help offset the significantly higher deductibles under that plan.

### **What if I have amounts left in my HRA at the end of the year?**

HRA funds do not roll over and end December 31<sup>st</sup>. You can submit a paper claim for any unused funds by March 31<sup>st</sup> of the following year for any unused funds in the previous year.

### **What happens to amounts in my HRA if I leave the University or retire?**

If you leave the University for any reason, including retirement, any amounts in your HRA are forfeited (unless you elect to continue your medical insurance through COBRA).