



## Health Reimbursement Account (HRA) Frequently Asked Questions (FAQ)

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

The HRA is an employer-sponsored plan that can be used to reimburse a portion of you and your eligible family member's out-of-pocket medical expenses, such as deductibles, coinsurance and pharmacy expenses. It is not an insurance program, but a financial reimbursement plan funded entirely by your employer. Your employer has designated a specific dollar amount to credit to the account (either monthly or annual contributions). You choose which out-of-pocket qualified medical expenses you would like to submit for reimbursement. Unused account balances will be rolled over to the following plan year provided your employer continues to offer the program and you remain enrolled in it.

### What are the tax advantages of an HRA?

Reimbursements made from your employer through the HRA are not considered part of your income and are not taxed.

### How can I get more details about my employer's HRA Plan?

The Summary Plan Description (SPD) provides details regarding your employer's HRA plan. Please ask your employer for a copy if you do not have one.

### Who Do I Call For Questions About My HRA?

Contact Blue Cross and Blue Shield of Florida's Spending Account Administration area Monday through Friday at 1-800-753-4681.

### Is the HRA part of my health benefits plan?

The HRA is not insurance, nor part of the health benefit plan. It is a separate program offered under separate terms and conditions as defined by your employer. Blue Cross and Blue Shield of Florida, Inc., through its subsidiaries, Florida Combined Insurance Agency and Florida Combined Life, provides administrative services only for this program and is not liable for any account balances.

### What medical expenses can be reimbursed from the HRA?

Qualified medical expenses include those expenses defined by your employer that comply with section 213(d) of the Internal Revenue Code. These expenses may include deductibles, coinsurance, prescription drugs, vision care and dental care. To determine if an expense is eligible for reimbursement under your employer's plan, please refer to your employer's summary plan description or contact our Spending Account Administration department.

You can find a general list of IRS-approved health-related reimbursements in Publication 502, which is accessible online at [www.irs.gov](http://www.irs.gov). Please remember that eligible medical expenses may vary by employer. Please remember Publication 502 lists expenses eligible for a tax credit at the end of the tax year. Some of the expenses listed may not be eligible for reimbursement from your HRA plan. Because eligible medical expenses may also vary by employer, you should verify the eligibility of any questionable expense with your Benefit Administrator before submitting your HRA expense.

### What expenses are typically not reimbursable ?

- Medical expenses that are not defined as eligible expenses by your employer
- Medical expenses that do not meet IRS section 213(d) requirements
- Medical expenses incurred by you or your spouse or eligible dependents before your participation in the program was effective

- Medical expenses that can be reimbursed to you through any other source, such as group health insurance or a self funded group health plan.
- Examples of expenses that are not eligible for reimbursement include nutritional supplements, illegal operations and treatment, health club dues and cosmetic surgery (unless medically necessary).

You can find a general list of IRS non-eligible health-related expenses in Publication 502, which is accessible online at [www.irs.gov](http://www.irs.gov).

**If I have an HRA and an FSA through BCBSF, which account will be used?**

The HRA and Health Care FSA, while separate accounts, provide reimbursement of qualified medical expenses as defined by your employer and the IRS (i.e., deductibles, coinsurance, prescription expenses). Should you have both accounts, expenses eligible under both plans will be reimbursed through the Health Care FSA first, then default to the HRA.

**Can I be reimbursed for my dependents’ medical expenses?**

Yes, as long as your dependent meets the definition of a dependent as defined by the IRS and is included in your employer’s plan.

**What is an Account Cap?**

Your employer may include an HRA account cap. This amount is a limit (or cap) on the total balance that you can accumulate in the HRA at any given time. No additional contributions will accrue until the account is used and the balance falls below the cap.

**Why are my requests pended when my account shows a spendable balance amount?**

In some cases, account contributions are made in monthly increments. So only the amount accumulated to date is available for reimbursement. Reimbursement requests above the account balance amount will be pended or “awaiting future contributions”, until additional contributions are made to your account. Your employer’s plan will establish the frequency of contributed amounts (i.e., monthly increments or an annual amount that is available at the beginning of the plan year).

**REIMBURSEMENT FAQs**

**HRA Debit Card**

**What is an HRA/FSA debit card?**

The debit card with access to a Health Reimbursement Account (HRA) or Flexible Spending Account (FSA) is a convenient option your employer may offer to you. The debit card allows you to access the funds in your account without having to complete and file forms. You can use the card whenever you incur an eligible expense at a qualified provider (such as an office visit copay or a prescription at a pharmacy). You can pay with your debit card instead of paying from your wallet and waiting for reimbursement later from your HRA or FSA.

**What do I need to do to receive the debit card?**

If your employer offers its employees the option of a debit card, debit card election forms will be included in your membership kit after you have enrolled. Simply follow the instructions to complete the form and mail it back in the self-addressed business reply envelope. If your employer has decided to provide the debit card to all program participants, you will automatically receive a debit card and will not need to complete a debit card election form.

### **How does the debit card work?**

When you incur an eligible expense at a qualified provider (such as an office visit copay or a prescription at a pharmacy), you can pay with your debit card instead of paying from your wallet now and waiting for reimbursement later. You can use the debit card at merchants and health care providers that accept MasterCard® and are providers of qualified medical services. Use it for expenses such as office visit copays, hospital deductibles, prescription copays, and other services that may be eligible under your health plan. Note that vision care and dental care usually are not on a HRA Qualified Medical Expense list. Please check with your program's business administrator. It's important to remember that the payment must be for eligible products or services that are reimbursable under your employer's plan.

### **What happens if my receipt shows I accidentally used the debit card for an ineligible expense?**

Your account can be used for eligible medical expenses only and you are responsible for reimbursing your account if the card is used either accidentally or intentionally for an ineligible expense. Any items you pick up at the pharmacy while you're waiting for your prescription to be filled that are not qualified expenses (e.g., magazines, snacks, toothbrushes, etc.) cannot be paid for with your debit card. You must use a different method of payment for these types of purchases—don't use your debit card. Your administrator will notify you if any ineligible purchases are made with your debit card, and your card may be deactivated until your account is reimbursed. Whether you are contacted or not, you will be required to pay back the money to your account.

### **What do I need to do to activate my card?**

Simply sign the back of the HRA/FSA debit card. It's not necessary to activate the card before using it, since it's automatically activated the first time you have a card transaction.

### **Do I need a Personal Identification Number (PIN) to use my card?**

A PIN number is not needed to use your HRA/FSA debit card. After 'swiping' your debit card at a Provider or merchant terminal, select the "credit" option. Do not select "debit" since no PIN is associated with this card.

### **Am I able to use my debit card to pay for over-the-counter medicines?**

While you can use your debit card to pay for some over-the-counter medicines, please keep in mind that you may be asked to submit receipts and documentation for these purchases. The Internal Revenue Service (IRS) has changed the law to cover some over-the-counter drugs, including antacids, allergy medicines, pain relievers and cold medicines. For the exact list of what is covered, please see the list of qualified medical expenses (QMEs) you received in your enrollment/member packet or call 1-800-753-4681.

### **Can I use my debit card to pay for mail-order prescriptions?**

You can use the debit card for qualified mail-order prescriptions by providing the card information to the mail-order pharmacy, similar to any other mail-order transaction using a credit card for payment.

### **What if I owe my provider more than I have available in my account?**

The card will be declined if 'swiped' for more than your available balance. Simply ask your provider to 'swipe' the card for your available balance and pay the difference out-of-pocket. Another option would be to pay the amount yourself and submit a reimbursement request with your receipt to the address provided on the form.

### **What if I don't owe anything when I'm at my doctor's office, but I get a bill later?**

You can still use the card to pay the bill by writing your debit card number on the invoice and mailing it in, or by providing the card information over the phone to the physician's office.

### **Are all of my family members able to use the debit card to pay for their health care expenses?**

You are provided a debit card with your name personalized on it. Only the individual whose name is on the card can use the card when making a health care related purchase, but the purchase can be for anyone covered under your plan. You may request additional cards, personalized for your spouse or other dependents age 18 or older (if they are covered under your program), by calling 1-800-753-4681.

### **Since it's a MasterCard®, can I use my HRA/FSA debit card like a traditional credit card?**

The card only allows processing of health care expenses reimbursed through your program and only accepts transactions using providers of authorized services.

### **Am I able to put more money into my account once I use all the funds available through my debit card?**

No. Once the account is depleted, you won't be able to use the debit card and you'll be responsible for paying for any additional out-of-pocket costs.

### **What happens if my debit card is lost or stolen?**

If your card is lost or stolen, report it as soon as possible by contacting us by phone at 1-800-753-4681. A replacement card will be sent to you.

### **Am I still able to access the funds in my account without the debit card?**

Yes, if your provider or merchant does not accept MasterCard® or you choose not to use your debit card, simply pay for your expenses and submit a request for reimbursement form along with the receipt for the eligible expense(s) to the address provided.

### **What do I do if I have used my debit card to pay for expenses that are later reimbursed by my insurance?**

It is always better to submit a manual reimbursement request when a medical service is subject to a deductible or coinsurance. If you have mistakenly used your debit card to pay for an expense that is later reimbursed by your insurance, IRS regulations require you to pay the amount back to your account. See your qualified medical expenses (QME) list from your employer for a list of eligible covered health related expenses.

### **Where can I find the "Terms and Conditions " for use of the HRA/FSA debit card?**

The "Terms and Conditions " for use of the debit card are outlined on the Cardholder Agreement that accompanies your debit card. By signing and using the card, you agree to use the card in conjunction with those rules. If you have questions regarding the rules, please call our dedicated toll-free number at 1-800-753-4681.

### **What happens if my transaction is denied?**

After the debit card is 'swiped', the system verifies that adequate funds are available in your account and that the expense is from a qualified merchant. If these checks are positive, the funds are then deducted automatically from your account. If these checks are negative, the transaction is denied. If the transaction is denied, then other methods of payment must be used.

### **Automatic Reimbursement**

Automatic Reimbursement is a feature that eliminates paperwork for you. Once your covered health or participating BlueScript pharmacy claim has been processed, BCBSF will send your out-of-pocket amount directly to our HRA Spending Account Administration area to be reimbursed according to the terms of your employer's plan. If your employer's plan includes this option, an authorization form is required from you to begin this service. You must have a BCBSF administered health plan to be eligible. Other restrictions apply. Please refer to the authorization form for more information.

### **How do I sign up for Automatic Reimbursement?**

If this option is included in your employer's plan(s), you can contact customer service or go online to obtain an Automatic Reimbursement Authorization form. Complete, sign and mail to:

Blue Cross and Blue Shield of Florida  
Spending Account Administration  
P.O. Box 45132  
Jacksonville, FL 32232-5132

## Manual Request

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### How do I submit a paper (manual) request for reimbursement?

- Requests can be made using a Health Care Reimbursement Request Form.
- Simply complete and sign the Health Care portion of the form and attach one of the following:
  - Your Explanation of Benefits from Blue Cross and Blue Shield of Florida, or
  - Receipts for prescriptions or non-covered health-related expenses.
- Completed reimbursement requests should be sent to:

Blue Cross and Blue Shield of Florida  
Spending Account Administration  
P.O. Box 45132  
Jacksonville, FL 32232-5132

### Which expenses must be submitted on paper when I have elected Automatic Reimbursement?

- Medical expenses incurred by dependents not covered or paid through a health plan administered by Blue Cross and Blue Shield of Florida health plan, but considered eligible under your HRA program
- Medical expenses denied, not covered or not paid by BCBSF, such as dental or vision, will still need to be filed manually even if you have elected to use the automatic reimbursement option.
- Pharmacy claims, except for participating BlueScript pharmacy claims

### How often can I submit reimbursement requests?

You can submit requests as often as you incur expenses.

### What happens if the amount I request for reimbursement is larger than my available account balance?

Reimbursement requests that exceed your account balance will be reimbursed up to the amount available in the account. Depending on your employer's schedule for making contributions, pending or "awaiting future contributions" request amounts may be reimbursed if additional contributions are made to your account.

Please remember that services must have been rendered before they will be reimbursed (orthodontia may be an exception).

### How long do I have to submit requests for eligible expenses?

Generally, you have three months from 1) the end of the plan year or 2) the date you leave employment, to submit requests for expenses incurred in a prior plan year. After the three months, those expenses will not be reimbursed. Please check your employer's Summary Plan Description as the number of months may vary by plan.

### Can I go online to check my account activity?

Yes. Visit [www.bcbsfl.com](http://www.bcbsfl.com) and log on to MyBlueService. Under My Coverage, click on FSA and/or HRA from the drop down menu. Here you can check your account balance, the status of a request and obtain forms.

### Can I request direct deposit for my reimbursements?

Yes. Contact customer service or go online to obtain a form. Once completed, sign and mail to:

Blue Cross and Blue Shield of Florida  
Spending Account Administration  
P.O. Box 45132  
Jacksonville, FL 32232-5132

### **How can I obtain blank reimbursement forms?**

Forms are available by contacting customer service via phone and online at [www.bcbsfl.com](http://www.bcbsfl.com).

### **What happens to my account(s) when I'm on a leave of absence?**

This depends on your employer's leave policy and the provisions outlined in your employer's Summary Plan Description. Generally, the employer will continue to make contributions to the plan, if an employee is receiving extended illness pay or vacation. However, if an employee is not being paid, they will not make contributions to the plan. Medical and/or dependent care expenses incurred during leave where contributions have not been made will be ineligible for reimbursement.

### **What happens to my account(s) if I terminate employment?**

You will have a limited period of time to submit additional requests for reimbursement of qualified medical expenses incurred while you were employed, and, at the end of that period, the account balance will be forfeited. In certain circumstances, you may be eligible to elect continuation of coverage under COBRA. Please refer to your employer-provided Summary Plan Description for details of your employer's program.

### **What happens to the balance in the account(s) at the end of the plan year?**

The balance rolls over from year to year according to the terms of your employer's plan, as long as the program is offered and you remain enrolled.