

Hillsboro School District

Section 105 Health Reimbursement Arrangement

Employee Instruction Sheet – Moda Dogwood PPO

Hillsboro School District is continuing a Section 105 Health Reimbursement Arrangement (HRA) to help provide better health care coverage to employees and their families. HRAs are implemented by many employers to help manage increasing health care costs and to provide employees with an incentive to be better consumers of health care. They are working with Diversified Benefit Services, Inc. (DBS) to manage and administer the HRA. The program works as follows:

- Your employer implements changes to your Group Health Insurance Plan.
- You and/or your family members utilize your health plan as you normally would. The insurance company will process your claim and send an Explanation of Benefits form (EOB) to you. The EOB form shows the date of service, service provided, cost of the service, amount insurance paid on the claim, and the portion of the claim you are responsible for paying.
- You submit a claim to DBS along with a photo or copy of your EOB form. The claim can be submitted online, via mobile phone app, by fax (262-367-5938) or by mail. If submitting by fax or mail you will need to complete a HRA claim form to submit with a copy of your EOB.
- DBS staff reviews the claim. Eligible expenses are reimbursed directly to you based on the schedule below.
- If you provide your email address to DBS, all notifications including claims received, reimbursements issued and requests for additional information will be sent to you via email.
- Any reimbursements due for claims received by Friday (9:00 a.m. CST) will be issued the following Friday.

HRA Reimbursement Schedule – Moda Dogwood PPO

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| <u>Plan Year:</u> | 10/1/2017 – 09/30/2018 |
| <u>Eligible Expenses:</u> | Medical Deductibles, Coinsurance and Copays incurred under the Employer Sponsored Group Health Plan |
| <u>Deductible In-network Level:</u> | \$1,600 (maximum 3 per family) |
| <u>Reimbursement Levels for the Plan Year:</u> | |
| First \$350 per in-network deductible expenses: | Employee Responsibility |
| Next \$1,250 per in-network deductible expenses: | Reimbursed by the HRA @ 80% (\$1,000 HRA / \$250 Employee) |



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Co-Insurance & Copays In-network Level: \$5,250 (maximum 3 per family)*

Reimbursement Levels for the Plan Year:

First \$2,350 per in-network co-insurance & copays: Employee Responsibility
Next \$2,900 per in-network co-insurance & copays: Reimbursed by the HRA

*** Family Coinsurance is subject to the Health Plan the District purchased.**

*** Prescription Drug copays are not eligible for HRA reimbursement.**

The HRA reimbursement is based on the Employer's In-network Group Health Plan. If you incur out-of-network deductible expenses then the reimbursement is capped at the in-network reimbursement level.

Additional Information:

- You are responsible for paying the doctor and/or hospital bills. You will be reimbursed after you submit the claim and corresponding documentation to DBS.
- You must be an active employee on the Employer's Group Health Plan or on COBRA (under your current Employer's Group Health Plan) to receive a reimbursement.
- If you (or your family) have secondary insurance, please submit copies of the EOB forms from both carriers.
- Any portion of the expense reimbursed by the HRA **IS NOT** eligible for reimbursement under any other program or by any other source. This includes, but is not limited to, Insurance Plans and Flexible Spending Accounts. Any portion of an expense reimbursed by the HRA **IS NOT** eligible as a deduction on your income taxes.
- Reimbursements are tax-free to you.
- If another source reimburses you and/or a provider (i.e. doctor, hospital, and clinic) for an expense that the HRA also reimburses you for, you are responsible for paying back the HRA Plan.
- **At the end of each Plan Year you have a 90-day run-out period in which you may submit your claims.** If you terminate employment, you have a 90-day run-out period in which you may submit your claims.
- Your employer assumes the cost for the Plan's administration.
- Your employer reserves the right to cancel or modify this program at any time.
- This Employee Instruction Sheet is intended only as an overview of the HRA benefits. The HRA plan qualifications and limitations are stated in the Plan Document. The Plan Document determines how the HRA plan benefits will be administered.

If you have questions on the program, please call DBS at 1-800-234-1229.

DBSbenefits.com



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