

Health reimbursement arrangement (HRA)

Did you know your employer puts money aside to reimburse you for healthcare expenses? An HRA helps pay for expenses not covered by a health plan.



What is a health reimbursement arrangement (HRA)?

An HRA is an account your employer sets up and puts money into to reimburse you for qualified medical expenses incurred by you, your spouse, and your eligible dependents throughout the year.

What can it be used for?

Eligible expenses are determined by your employer and may include things like doctor exams and labs, copays, deductibles, and prescription drugs. Ask your employer for a complete list of HRA-eligible expenses.

How does it work?

- ▶ During enrollment, you must sign up for an HRA.
- ▶ You can use these funds immediately, up to the amount that's been put into your account.
- ▶ When paying for eligible expenses, use your personal funds and get reimbursed or, if offered, you can use your Empower Benefit Accounts card to make purchases.
- ▶ Save your receipts in case documentation is needed.
- ▶ The HRA is seamlessly connected to your Empower workplace retirement account so you can easily access and manage your accounts in one place.

Why should I enroll in an HRA?

- The HRA is funded by your employer, at no cost to you, to help offset healthcare expenses.
- You don't pay taxes on reimbursements.
- Unused HRA funds can roll over year to year — meaning you don't have the pressure to “use it or lose it.”

Helpful tips

Plan ahead to maximize your HRA.

- Calculate how much you normally spend on health-related expenses in a year — and look at the HRA total benefit provided to plan ahead.
- Keep all of your receipts, regardless of whether you use the Empower Benefit Accounts card (if offered) or request a reimbursement.
- You will have 90 days after the end of the plan year to submit for eligible expenses from the prior year.

Important note: An HRA belongs to your employer; if you decide to change jobs, you cannot take the HRA funds with you.

Did you know?

HRAs are a benefit that doesn't impact your net pay or your taxes.

- HRA reimbursements are tax-free.
- You do not need to report HRA reimbursements for qualified expenses on your tax return.
- Because your employer funds this arrangement, there is no impact to your paycheck.

➤ After you've signed up, visit empowermyretirement.com to access and manage your Empower HRA

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