**A Health Reimbursement Account with (insert client name)**

With a health reimbursement arrangement (HRA), [insert client name] provides extra dollars for your health care expenses. Consider how your HRA works.

**Employer funds your HRA**

**You see your doctor**

**They bill your health plan**

**Your HRA pays the bills first**

**Your pay the rest to the deductible**

|  |  |  |
| --- | --- | --- |
| **Example**1 | **Single** | **Family** |
| **Your health plan in-network deductible:**  Once your covered medical expenses exceed this amount, your health plan takes over. | **$1200**  **$1800 + One**  **$2500 + Children** | **$3000** |
| **Your employer funds your HRA:**  The full amount is available day one. | **$500** | **$800** |
| **Your deductible with an HRA:**  Using HRA funds, your employer pays the first out-of-pocket expenses until the funds are exhausted. You pay the rest until the deductible is met. | **$700**  **$1300 + One**  **$2000 + Children** | **$2200** |
| **What your HRA covers:**  Generally, covers the same expenses covered by your health plan:   * In-network doctor visits * Inpatient or outpatient hospital care * Diagnostic exams * Prescription medications | | |
|

**1** Hypothetical example for illustration purposes only.

2 Estimated tax savings assume a that 25% of income is paid in federal, State and social security taxes. Actual tax savings will depend on your personal tax situation. Please consult your tax adviser for details.