

## **Month Premiums & HRAs & FSAs**

1. **Premiums** for actives are deducted from paychecks **pre-taxed**.
2. **Premiums** have to be deducted **post-tax** to be **HRA reimbursable**.
3. EEs can **elect post-tax during Open Enrollment** each year.
4. An HRA is a company funded (pre-tax) account, & rolls over year to year.
5. An FSA is an EE funded (pre-tax) account that does not roll over. Unused Dollars are forfeited.
6. An FSA is drawn down first before monies are reimbursed from the HRA.
7. An HRA is a tax advantage plan so benefits are not generally subject to taxation.
8. HRA amounts are determined by the EEs enrollment status (Single or Family) as of the first of the year. If an EE is considered active Jan 2010; they receive the active HRA amount. If the same EE retires later that same year; on Jan 2011 they are considered a retiree and are eligible for the retiree HRA deposited amount. Remember: in order to receive a “company deposited” HRA amount; the EE or Retiree must have chosen the CHCP as their medical plan and if retired must be pre-Medicare and retired on or after 1/1/93 .
9. Eligible bills for HRA reimbursement can be sent individually or sent all at once.
10. Generally 90 calendar days are given at year-end for bills incurred during the benefit year.
11. Many over the counter drugs like allergy meds are HRA reimbursable.
12. Vitamins are not generally reimbursable thru an HRA.
13. HRAs are guided by IRS publication 502 & 969. Tax laws could change.
14. SHSP is the FSA and HRA vendor. (Retirees are not eligible for FSAs).
15. EE's will receive a welcome letter and guidance on how to use HRAs.
16. The first stock year for the Success Sharing plan starts Oct 1, 2009 – Sept 30, 2010 and if payable would be deposited into an HRA for every EE; regardless of which medical plan is chosen.
17. Retiree eligibility for an HRA is dependent on a non-Medicare retiree's enrollment. For a split family where the dependent is allowed to make a separate medical election; both the non-Medicare retiree and their dependent **MUST** choose a Co offered traditional medical plan in order for the HRA to be paid.