

HRAs...What Do You Need To Know?

If you are considering enrolling in the HRA Bronze PPO plan, here are some important things to know about using the plan and the HRA.

Q: Who owns the HRA?

A: The HRA is owned by BASS Medical Group; the money does not follow you if you leave or retire from BASS Medical Group. A member cannot add additional funds to the HRA card.

Q: How much will be deposited on the HRA card, and when?

A: If your plan effective date is 1/1/2025, the full \$1,000 will be available on January 1, 2025.

If you are a new hire and your effective date is after January 1, 2025, the annual benefit amount will be prorated to reflect the number of months the employee is eligible in the plan. The amount will be available on your effective date.

Q: What can I use the HRA card for?

A: You can use the card to help pay towards your out-of-pocket expenses including for your medical deductible, coinsurance, and prescription copays. The HRA debit card can be used for qualifying medical expenses. NOTE: This does NOT include dental or vision expenses.

Q: What is substantiation?

A: The IRS requires that HRA funds be used for qualifying expenses only. For many medical charges, the claim will be automatically approved. However, if Paylocity cannot 'substantiate' that the expense was indeed a qualifying medical expense, they will reach out to you for substantiation of the charge. The following information may be requested:

1. Name of provider
2. Name of patient
3. Date of service
4. Description of service
5. Cost of service
6. A credit card receipt or canceled check will not suffice.
 - a. Keep your receipts!
 - b. If you are asked to provide the documents for substantiating a claim, and you do not provide them, Paylocity will inactivate your debit card for further spending, until the claim is resolved.
 - c. If the claim was determined to be ineligible, you have to pay back the claim.

Q: Must I use the HRA for my own expenses?

A: You may use the HRA for expenses for yourself, your spouse or your children. You may be reimbursed for expenses for any child until the end of the calendar year in which the child reaches age 26. A child is a natural child, step child, foster child, adopted child, or a child placed with you for adoption.

Q: Is there anything I cannot use the card for?

A: Yes, only qualifying medical expenses (as outlined in IRS publication 502) are eligible charges. Dental and vision expenses are not covered by the BASS Medical Group HRA. You can only use the HRA fund for medical expenses for yourself or eligible dependents.

Q: What happens if I leave or retire from BASS Medical Group?

A: There is a 90 day period of time called a 'run-out' period after your termination date during which you can submit claims for reimbursement that were incurred prior to your termination date. Any unused amounts will be forfeited.

Q: Do the funds expire at the end of the year?

A: Any remaining funds in the account after 12/31/2025 will be forfeited. There is no rollover. The funds are use it or lose it.

Q: Can I use the HRA for in-network or out-of-network expenses?

A: Both in-network and out-of-network charges are allowed, as long as they are qualifying medical expenses. Out-of-network claims are paid up to the in-network claim amount only.

Q: Can I have both an FSA and an HRA?

A: Yes, you can have the medical FSA and the HRA at the same time. Both accounts are housed on the same card. The funds will pull from the HRA first.

Q: Can I have both an HSA and an HRA?

A: No, you may not have both an HSA and an HRA at the same time.

Q: Is the HRA taxable?

A: No, the funds in your HRA are not considered taxable income.

Q: Is there a portal or app?

A: Yes, create your account through Paylocity or download the Paylocity app.