

Human Resources: Health Reimbursement Account (HRA)

What is a Health Reimbursement Account?

A Health Reimbursement Account (HRA) is an employer-sponsored plan that can be used to reimburse a portion of an eligible family members' out-of-pocket medical expenses, such as deductibles, coinsurance and pharmacy expenses. It is not an insurance program, but a financial reimbursement plan funded entirely by the employer. The employer designates a specific dollar amount to credit to the account and determines what expenses the HRA can be used to pay for.

How much does the Institution contribute to the HRA?

For employees enrolled in the High Deductible Health Plan with Health Reimbursement Account (HDHP-HRA), an HRA is automatically provided and funded by WHOI to cover the first 50% of the annual deductible under that medical plan. So, an employee enrolled in individual coverage is eligible to receive reimbursement for up to the first \$1,000 incurred in deductible expenses. For employee-plus* coverage, reimbursement would be on the first \$2,000 in deductible expenses. Once the HRA is exhausted, you are responsible for the remainder of the annual deductible.

*employee-plus coverage includes: employee + spouse, employee + child(ren), and family.

How will I pay for my medical expenses under the HRA plan?

Routine preventive care services are covered in full with no office visit co-payment or deductible charges.

Rx prescription drugs are not subject to the deductible and require a co-payment based on the tier level of the drug.

For services that are subject to the deductible, you should not pay anything at the point of service and follow these instructions:

- Pay nothing at the point of service
- Provider will submit a claim to the medical carrier
- Medical carrier will process the claim and submit an Explanation of Benefits or Claims Summary to both you and the provider listing the 'allowable charges' to be paid to the provider
- Provider will then bill the patient for the total 'allowable charges'
- Your HRA will automatically release payment to reimburse you (or pay the provider directly if allowed) for the allowable charges up to the point where the HRA is exhausted. You do not need to complete any reimbursement paperwork.

What happens if I don't incur any deductible expenses or don't exhaust my HRA at the end of the year?

The Institution does not allow for rollover of unused HRA dollars. Should you enroll in that High Deductible Health Plan again for another calendar year, your HRA will be refreshed.

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