



WELCOME TO THE SOUTHERN CALIFORNIA IBEW-NECA

HEALTH TRUST FUND

HEALTH REIMBURSEMENT ARRANGEMENT

Keep *yourself* healthy and your *wallet* happy.

August 18, 2017

Now, more than ever, healthcare dollars need to go further. With your new HRA they can.

Through a Health Reimbursement Arrangement (HRA), employers make pre-tax contributions on your behalf to this Plan to cover medical expenses that may not be covered by insurance such as dental work, vision care and prescriptions. That means fewer out-of-pocket healthcare costs for you and more money in your pocket.

What is a Health Reimbursement Arrangement (HRA)?

An HRA is a program that is designed to help you pay for out-of-pocket medical expenses. Your HRA allows you to use the funds for an array of eligible expenses.

How it Works

If required under the terms of a Collective Bargaining Agreement or certain other agreements, an Employer may make pre-tax contributions on behalf of a Participant to this Plan for funding an HRA account. You choose how your healthcare dollars are spent. The money on your HRA account doesn't count as income so there are no tax implications. It's like getting a raise. You can use the money in the HRA throughout the year for qualified medical expenses. Leftover dollars may roll over from year-to-year (as long as you continue to be an eligible Participant of the Southern California IBEW-NECA Health Trust Fund) or they may be forfeited. Please refer to the Summary Plan Description.

The Prepaid Benefits Card Makes Using Your HRA Easy

With your HRA, you'll receive a benefits card that makes it fast and convenient to access your money. With the card, you keep cash in your wallet because you can use your card to pay for qualified medical expenses. When you use the card, the cost of your eligible expenses will be automatically deducted from your account. There are no claim forms to complete and you won't have to wait to get a check in the mail. Just swipe and go. It's that easy!

There are tens of thousands of merchant locations where you can use your card to cover eligible purchases and other over-the-counter expenses constituting medical care. You don't have to submit receipts to verify the purchases, but it's always a good idea to save them for easy reference and in case the IRS requires them. In addition, you can check balances, view statements and see alerts about required actions online anytime with a secure Web portal.

You can use your HRA dollars and your Prepaid Benefits Card to pay for expenses not covered by your insurance like:

- Routine health care: office visits, X-rays, lab work
- Hospital expenses: room and board, surgery
- Medications: prescription and over-the-counter (OTC) drugs when prescribed by a physician
- Dental care: cleanings, fillings, crowns
- Vision care: eye exams, glasses, contacts
- Copays and coinsurance (the portions of health care bills paid by you)
- Eligible over-the-counter (OTC) items such as: First Aid Dressings and Supplies – bandages, rubbing alcohol
- Contact Lens Solutions/Supplies
- Diagnostic Products like thermometers, blood pressure monitors, cholesterol testing
- Insulin and Diabetic Testing Supplies
- COBRA Premiums and Retiree Health Plan Co-payments



Your claims will be processed by Coast Benefits, Inc.

Toll-free Phone: 1-844-739-7956

Website: www.coastbenefits.com

Consumer Portal: <https://CoastBenefits.lh1ondemand.com>



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FREQUENTLY ASKED QUESTIONS (“FAQs”)

The following are frequently asked questions regarding the new Health Reimbursement Arrangement (“HRA”). Please note that an HRA account can only be used to pay for eligible expenses allowed under the terms of the *Summary Plan Description* (“SPD”). You should thoroughly review the SPD for full details regarding this benefit.

Please note that Participants are not vested in any contributions made on their behalf to the HRA.

1. **Q:** How much is being contributed to my HRA account?

A: For those Collective Bargaining Agreements which specify a contribution to the HRA, the current hourly contribution is \$.25 per reported hour (*July 2017*).
2. **Q:** When can I start using the amount in my HRA account?

A: You will be able to start using your HRA account to pay for eligible expenses beginning September 1, 2017. You may only use your HRA account to pay for eligible expenses incurred on or after September 1, 2017.
3. **Q:** What out of pocket expenses are eligible for reimbursement?

A: Eligible expenses include deductibles under your medical, dental or vision insurance, co-payments and other non-covered expenses for medical, prescription drug, dental, vision, and psychiatric services, and required self-pay premiums and COBRA premiums. If prescribed by a qualified doctor, off the shelf medical supplies such as bandages are also examples of eligible expenses. Only IRS eligible expenses are allowed to be reimbursed through your HRA account. A complete list of IRS eligible expenses is contained in Section 213 of the Internal Revenue Code.
4. **Q:** Are there any expenses that will not be reimbursed?

A: Any expenses that are not medically necessary will not be reimbursed, such as cosmetic services, hair transplants, and weight loss programs, unless the

weight loss is a treatment for a specific disease diagnosed by a physician (such as obesity, hypertension, or heart disease). Also, if you are using your HRA debit card at a merchant and you try to pay for items which are not eligible for reimbursement through the HRA, the cost of those items will not be covered by your HRA debit card.

5. **Q:** If I lose coverage under the Active Plan and do not elect COBRA or enroll in the Retiree Health Plan, can I use my HRA for medical expenses?

A: No.

6. **Q:** Can I use my HRA account if I am no longer eligible for benefits under the Southern California IBEW-NECA Health Trust Fund?

A: You must be eligible for Active Plan Coverage or participating in the Retiree Health Plan under the Southern California IBEW-NECA Health Trust Fund in order to use your HRA account. If you lose Active Plan Coverage, you may only use your HRA account to pay for COBRA premiums to continue coverage in the Active Plan or to pay self-payments required by the Retiree Health Plan. However, if you do regain eligibility before forfeiting your HRA account, you may then use your HRA account to pay for eligible expenses. In addition, if you are the surviving spouse of a deceased Participant, you are able to use the HRA account to pay for COBRA premiums under the Active Plan and eligible expenses.

7. **Q:** Can my HRA account be forfeited?

A: Yes, if you have not had coverage under the Southern California IBEW-NECA Active or Retiree Plan for a period of 60 or more consecutive calendar months, your account balance will be reduced to zero. Your HRA account will also be forfeited if you engage in Non-Covered Electrical Employment by being employed in any capacity and for any duration by a contractor in the Electrical Industry who is not signatory to a collective bargaining agreement with an IBEW Local Union having jurisdiction of the work, **OR** you are an owner of a company in the Electrical Industry which is not signatory to a CBA of an IBEW Local Union having jurisdiction for the work.

8. **Q:** What happens to my HRA account if I should die?
- A:** A deceased Participant's rights pass to eligible dependents at the time of death. A surviving spouse shall always have primary control. If there is no Surviving Spouse, your eligible dependents may use your HRA account to pay the cost of COBRA coverage on a pro-rata basis. Nothing prevents a surviving eligible dependent from waiving their interest in favor of other surviving eligible dependents for purposes of applying the HRA account to COBRA continuation coverage under the Active Plan.
9. **Q:** If I die while covered under the Active Plan and none of my dependents elect COBRA, can my dependents use my HRA for medical expenses?
- A:** No.
10. **Q:** What happens to my HRA account if I should die while covered under the Southern California IBEW-NECA Retiree Health Plan?
- A:** If you die while covered under the Southern California IBEW-NECA Retiree Health Plan, your surviving spouse may utilize the HRA account to make self-payments and/or COBRA coverage under the Retiree Health Plan and pay for supplemental insurance such as dental/vision coverage, but not for a separate health insurance plan. While eligible under the Retiree Health Plan, your surviving spouse may also use the HRA account and pay for eligible expenses.
11. **Q:** If I retire and enroll in the Southern California IBEW-NECA Retiree Health Plan, what happens to my HRA account?
- A:** While eligible under the Retiree Health Plan, you may also use the HRA account and pay for eligible expenses.
12. **Q:** If I die while covered under the Retiree Health Plan and my surviving spouse does not elect COBRA under the Retiree Health Plan or continue as an eligible enrolled spouse, can my spouse use my HRA for medical expenses?
- A:** No.

13. **Q:** If an individual is both an eligible Participant and an eligible dependent due to the relationship with another eligible participant (i.e. both spouses work as electricians) and Spouse A loses primary eligibility while Spouse B maintains primary eligibility, can both spouses continue to use the HRA benefit?

A: Yes, if both spouses are still eligible, i.e. spouse A as spouse B's dependent.

14. **Q:** How will I know how much money is in my HRA account?

A: You will be able to log into your personal secure account via the internet or mobile application. You can also call the Third Party Administrator at the telephone number listed below.

15. **Q:** How does the HRA debit card work and where can I use it?

A: The HRA debit card works at drug stores, pharmacies, grocery stores and big box merchants that sell items which are eligible for reimbursement through an HRA account. The HRA debit card also generally works at physician's offices, dental offices and vision care providers.

16. **Q:** Who do I speak with if I have questions about my HRA account or if I want to submit a claim?

A: Your claims will be processed through the HRA debit card, the internet portal, the mobile application or through mail or fax. If you wish to submit your claims for reimbursement by mail or fax, please send your claims directly to the Third Party Administrator for the HRA benefit at the following address:

Coast Benefits, Inc.
3444 Camino del Rio North, Suite 101
San Diego, California 92108
Toll-free Phone: 1-844-739-7956
Toll-free Fax: 1-877-501-1015

17. **Q:** Is there a minimum amount that I can submit for reimbursement?

A: Yes, the minimum aggregate amount to be submitted for reimbursement is \$25.00.

18. **Q:** Is there a deadline for submission of claims?
- A:** There is no deadline to submit a claim as long as your HRA account has not been forfeited for any reason outlined in Q&A 7, above. In addition, if a Participant and/or dependent ceases to be eligible for coverage under the Southern California IBEW-NECA Active Health Plan, and is not covered under the Retiree Health Plan, no expenses incurred subsequent to the loss of eligibility may be reimbursed with the exception of payment for COBRA premiums and self-payments to the Retiree Health Plan. Spouses ceasing eligibility due to divorce and dependents ceasing eligibility due to age lose all rights to HRA reimbursement and may not use the Participant's HRA account for COBRA coverage because the HRA account is always held by the Participant.
19. **Q:** What if my HRA account does not have sufficient funds to cover an expense I have submitted?
- A:** If your HRA account balance is insufficient to cover a claimed expense you have submitted, you will only be reimbursed for the amount of funds in your account. You may file for reimbursement of the unpaid portion of any eligible expenses when your HRA account has additional contributions credited to it.