

MINNESOTA STATE  
UNIVERSITY  
M A N K A T O



# MnSCU HRA

**Professional Development Day**

**January 6, 2010**

**Therese Mullins, Presenter**

# What is the MnSCU HRA?

- ◆ An account that the university pays into based on provisions of the bargaining agreement or personnel plan.
- ◆ The employee uses for reimbursement of out-of-pocket medical and dental expenses for him or herself, the spouse, and eligible dependent children.
- ◆ The account is administered by Eide Bailly.



# Eligibility

- ◆ **IFO member or Administrator**
- ◆ **Actively employed on January 1, and**
- ◆ **Eligible for an employer contribution toward health insurance on January 1**



# Amount

- ◆ IFO - \$800
- ◆ Administrators - \$600



# Eligible Expenses

- ◆ **Eligible expenses include**
  - < Out-of-pocket medical and dental expenses
  - < Long Term Care insurance premiums
  - < Individual health insurance premiums (not group plan)
  - < Medicare Part B



# Covered Individuals

- ◆ **The MnSCU HRA may be used for the**
  - < Employee
  - < Spouse
  - < Eligible dependent children as defined by the HRA Plan Summary



# Using the HRA

- ◆ **Option 1 – Reimbursement Requests**
  - < Purchase or pay for eligible expenses
  - < Submit Reimbursement Request form via mail, fax, or online
  - < Include documentation of expenses
    - Itemized receipts
    - Billing statements
    - EOB from insurance
- ◆ **Option 2 – Use the Benny™ card to pay for the item or service**
  - < Save receipts or other documentation in case you are asked to send copies to Eide Bailly



# Coordination with MDEA and State HRA

- ◆ **MDEA, if any, is used first – “use it or lose it”**
- ◆ **\$250 State HRA is used next**
  - < Employees were eligible for \$250 State HRA on January 1, 2009
  - < Unused balance carries forward to 2010
  - < No new State HRA in 2010
- ◆ **MnSCU HRA is used last**
  - < Exception: reimbursement of expenses that are not eligible under the MDEA (e.g., LTC premiums)



# Reimbursement Deadline

- ◆ Last day of February is deadline to submit reimbursement requests for previous calendar year

HOWEVER

- ◆ Reimbursement requests received by December 31 determine where the next year's contribution goes

<http://www.eidebaillybenefits.com/som>



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# Carry Forward and New Contributions

- ◆ **Unused MnSCU HRA balance carries forward to next calendar year if employee is continuously employed and eligible**
- ◆ **December 31 - deadline for reimbursement requests to be received by Eide Bailly to determine if new contribution goes to HRA or HCSP**
  - < Added to HRA if less than \$500 remaining in HRA
  - < Deposited into HCSP if \$500 or more remaining



# Account Termination

- ◆ **Account participation ends upon**
  - < Employment ending (resignation, retirement, etc.)
  - < Fixed-term appointment ending
  - < Commencement of some types of unpaid leaves of absence
- ◆ **Participant is offered options for continuation of account**



# Continuation/COBRA Options

- ◆ **Two options are offered**
  - < Alternative Coverage
    - No cost for this option
    - Allows spend-down of account for expenses incurred through December 31
  - < COBRA
    - Individual pays a monthly premium
    - Extends eligibility up to 18 months
- ◆ **Employee has 60 days to elect an option**



- ◆ **If neither Alternative Coverage or COBRA option is elected within 60 days**
  - < **Account participation ends when appointment ended**
  - < **Claims may be submitted through last day of February for expenses incurred through appointment end date**
  - < **Unused balance is**
    - **Forfeited, or**
    - **Swept into HCSP if employee has an HCSP account**



# What is the HCSP?

- ◆ An employee-owned account
- ◆ To be used for out-of-pocket medical and dental expenses, medical, dental, and long term care insurance premiums, and Medicare premiums for the former employee, spouse, and eligible dependent children
- ◆ Employee invests the account in funds offered through the State Board of Investment
- ◆ Account cannot be used until after employment has ended
- ◆ Employees may opt to keep the MnSCU HRA balance at \$500 or more in order for HRA contributions to be directed to the HCSP (this may change)



# More Info about HRA

- ◆ More information about the MnSCU HRA, reimbursement claim forms, and online account access is on the Eide Bailly web site:

<http://www.eidebaillybenefits.com/som>



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