



Health Reimbursement Account (HRA) Information For 2017

If you are a participant in the Brookhaven Science Associates (BSA) Retiree Medical Plan (for Medicare-eligible participants) and are enrolled in a medical insurance plan through SelectQuote Senior's exchange, a Health Reimbursement Account (HRA) will be established to help you pay for qualified health care expenses - such as eligible premiums and expenses up to the amount available in the HRA.

A HRA is an account into which BSA will deposit a monthly amount to assist you in paying for qualified health care expenses. For 2017, your HRA is funded monthly in the amount of \$170 per eligible participant. For a husband and wife, the joint monthly household amount will be \$340 (\$170 X 2). To access these funds, you will need to submit a claim to receive reimbursement for eligible expenses for which you have paid. See the "**Accessing your HRA**" section for additional information.

The HRA funds may only be used to pay for eligible items such as Medicare Part B premiums, Medicare Advantage premiums, Medicare Part D premiums, Medicare supplement premiums, medical co-payments, eligible dental and vision services, medical treatments, medications, laboratory tests, and other IRS Section 213(d) qualified healthcare expenses (as defined in IRS publication 502). Cosmetic or routine hygiene products and services are not generally eligible for reimbursement. See the "**IRS Section 213(d) Qualified Healthcare Expenses**" section for additional information. You may not make personal contributions to the HRA. There are no administrative costs to you for using the HRA, and contributions and reimbursements are tax-free. As a benefit to you, unused HRA funds roll over from year to year. They do not need to be used in the current calendar year.

BSA reserves the right to amend or terminate the benefit programs at any time and for any reason.

01/01/2017

Accessing your HRA

You will receive instructions, claim forms, and further information in the mail once you have enrolled in your medical insurance plan through SelectQuote Senior.

If you need assistance with using online services or have questions about using your HRA or submitting a claim for reimbursement, please call (866) 479-8317, and select Option 2 to reach the Reimbursement Center **after** your medical insurance plan becomes effective.

If you have not yet enrolled for a medical plan through SelectQuote Senior's exchange, please immediately call them at (866) 479-8317, and select Option 1.

Health Reimbursement Account (HRA) Frequently Asked Questions

Q. What is a Health Reimbursement Account (HRA)?

A. A Health Reimbursement Account (HRA) is part of the benefit plan offered to you by Brookhaven Science Associates (BSA). For 2017, BSA will contribute \$170 per participant each month into a HRA set up for you to help pay for your eligible healthcare expenses. For example, for a husband and wife, the joint monthly household amount will be \$340 (\$170 x 2).

Q. What expenses are eligible for reimbursement?

A. You may be reimbursed for the premiums you pay toward Medicare Part B, Medicare Supplement, Medicare Advantage, and/or Medicare Prescription Drug plans for you and your spouse, or other Medicare-eligible dependents who are enrolled for medical insurance through SelectQuote Senior's exchange.

In addition, you may pay for other eligible expenses (generally those defined under Internal Revenue Code Section 213(d)) and submit for reimbursement. See the "**IRS Section 213(d) Qualified Healthcare Expenses**" section for additional information.

This includes expenses that are not reimbursed by another plan, such as:

- standard medical services such as office visits
- copayments, coinsurance, and deductibles
- prescriptions
- dental care, including orthodontics for children and adults
- eyeglasses, contact lenses and solution, and laser eye surgery
- acupuncture and chiropractic services

Q. Do I have to enroll in a medical program through SelectQuote Senior's exchange to be eligible for the reimbursement?

A. Yes. To be eligible for the HRA contribution from BSA, you must enroll in a medical plan through SelectQuote Senior. However, you do not need to enroll in a prescription drug plan through SelectQuote Senior. You must be enrolled in a BSA medical program in order for your eligible dependents to be enrolled in a BSA medical program.

Q. Who processes my HRA claims?

A. This service is provided by Taben Group, who administers the retiree HRA on behalf of SelectQuote Senior.

Q. Where can I get information on my HRA?

A. You'll be able to access your HRA at www.bsa.sqbenefits.com. (Do not click on the orange Medicare button in the middle of the page.) Click on the HRA Account tab on the top bar of the page and follow the instructions to create your account. Initially, you will need to enter your Social Security or your Participant ID number (which is your BNL Life #).

Q. Who can I call if I have questions regarding my HRA?

A. You may contact the Reimbursement Center at (866) 479-8317, and select Option 2 after your medical insurance plan becomes effective.

Q. Are the contributions or reimbursements provided through the HRA considered taxable income by the IRS?

A. No. Contributions into the HRA and reimbursements from the HRA are not taxable income.

Q. Will I earn interest on the money in my HRA?

A. No.

Q. Will I receive monthly statements?

A. No. However, before the end of the calendar year fourth quarter, Taben Group will send out a statement to participants who have a balance left in their HRA, and any unused balance will carry over to the next year. This will help to remind you to file claims for unused funds if desired. You can also log into the HRA online at any time to view your available account balance and claim activity.

You can access your account through the HRA Account tab at www.bsa.sqbenefits.com or you may contact the Reimbursement Center at (866) 479-8317, and select Option 2.

Q. How Does Reimbursement from the HRA Work?

A. Step 1: Pay Your Healthcare Plan Premiums and/or qualified IRS Section 213(d) expenses.

You are responsible for paying your premiums directly to the insurance company. Most insurance companies will allow you to pay your premiums either by check or by having money withdrawn directly from your bank account. In addition, Medicare Advantage, Medicare Part D Prescription Drug plans, and Medicare Part B allow you to have your premiums withheld from your Social Security check.

Step 2: Submit Your Health Expense Claims for eligible premiums or expenses to the Reimbursement Center through the online portal, email, fax, or postal mail. You can submit a one-time-per-year form for automatic monthly premium reimbursement or you can manually file a new claim each time you have a reimbursable expense. You will need to also submit a Direct Deposit Form if you would like to have your reimbursement automatically deposited into your bank account.

Step 3: Receive Your Reimbursement.

You can be reimbursed from the HRA in two ways once your claim for reimbursement is approved. You will be paid from the HRA either by:

1. Direct deposit to your bank account, or
2. By check mailed directly to your home address.

Q. Who is responsible for submitting a claim?

A. You as the participant are responsible for filing a request for claim reimbursement.

Q. What is the general processing time for claim submissions?

A. Processing of claims submitted through the Reimbursement Center will routinely be processed within two business days. Paper forms mailed and submitted to Taben Group, the company who administers the HRA, generally take three to five business days to process from the date they are received by Taben Group. If a direct deposit account is set up, reimbursements will be deposited directly into the designated bank account within 24 hours of approval.

Q. Is there a submission deadline for reimbursement?

A. Per the program guidelines, as long as the participant is eligible there is no submission deadline. In the case of death, submission deadlines do apply. Additional information is provided below.

Q. What is the maximum length of time to submit for the auto-reimbursement for recurring premiums?

A. Auto-reimbursement claims for recurring premiums are good until the end of the calendar year. You will need to submit a new form each new calendar year.

Q. How do I cancel a recurring expense?

A. Call the Reimbursement Call Center at (866) 479-8317, and select Option 2.

Q. What happens to a participant's account in the event of his or her death?

A. If there is no spouse enrolled in a medical plan through SelectQuote Senior at the time of the participant's death, the HRA funds are forfeited. Your personal representative or executor of your estate may submit claims up to 180 days after the date of death for eligible expenses incurred.

If there is a surviving spouse enrolled in a medical plan through SelectQuote Senior at the time of the participant's death, the account and remaining funds will be transferred to the surviving spouse's name. The HRA monthly contribution will continue for one single participant.

Q. What happens to the surviving spouse's account in the event of his or her death?

A. In the event that the surviving spouse dies and there are no other participants on the HRA, then the HRA funds are forfeited. Your personal representative or executor of your estate may submit claims up to 180 days after the date of death for eligible expenses incurred by you before your death.

Q. What is the process for appealing a claim denial?

A. Participants may file an appeal online through the HRA tab on the website portal www.bsa.sqbenefits.com or they may contact the Reimbursement Center at (866) 479-8317 and select Option 2 to file a first-level appeal. A first-level appeal includes the administrative review of the claim to ensure that it was processed according to the plan rules, and that no processing error occurred. Participants who disagree with a denial of a first-level appeal have the right to submit a second-level appeal by contacting the plan administrator within 60 days of the notice. All appeals will be reviewed by Taben Group in collaboration with the plan administrator, and appeals that are approved will be submitted for re-processing.

IRS Section 213(d) Qualified Healthcare Expenses

The Internal Revenue Service (IRS) defines qualified healthcare expenses within IRS Section 213(d). Healthcare expenses are further defined as amounts paid for the diagnosis, cure, mitigation or treatment of a disease, and for treatments affecting any part or function of the body. The expenses must be primarily to alleviate a physical or mental defect or illness.

The products and services listed below are examples of healthcare expenses eligible for payment under a Health Reimbursement Account. This list is not all inclusive; additional expenses may qualify, and the items listed below are subject to change in accordance with IRS regulations.

Eligible Expenses

DENTAL SERVICES

Crowns / Bridges
Dental X-Rays
Dentures
Exams / Teeth Cleaning
Extractions
Fillings
Gum Treatment
Oral Surgery
Orthodontia / Braces

INSURANCE RELATED ITEMS

Co-pay and Coinsurance Amounts
Deductibles
Pre-existing Condition Expenses
(medical)
Private Hospital Room Differential

LAB EXAMS / TESTS

Blood Tests
Cardiographs
Diagnostic
Laboratory Fees
Metabolism Tests
Spinal Fluid Tests
Urine / Stool Analyses
X-Rays

MEDICATION

Insulin
Prescribed Vitamins
Prescribed Drugs
Prescribed Birth Control

OVER-THE-COUNTER MEDICATION

Over-the-counter medicines,
drugs, or dietary supplements for
a specific medical condition:

Allergy Medicine
Antihistamines
Analgesics
Antacids
Anti-Diarrhea Medication
Aspirin
Calcium Supplements
Cold Medicine
Contact Lens Solution
Cough Drops
*First Aid Cream (Bactine, special
diaper rash ointments, calamine
lotion, bug bite medication, wart
remover treatments)*
Hemorrhoidal Medications
Laxatives (like Ex-Lax)
Menstrual Cycle Products
Motion Sickness Pills
*Muscle / Joint Pain Relief (Ben-Gay,
Tiger Balm)*
Nasal Sinus Spray
Nasal Sprays (for snoring)
Nicotine Gum / Patches
Pain Reliever
Pedialyte
*Pills for persons who are
lactose intolerant*
Pregnancy Tests
Prenatal Vitamins
Reading Glasses
Retin A (non-cosmetic)
Rubbing Alcohol
Sinus Medications
Sleeping Aids
Smoking Cessation Products
*Special Foods (cost difference
of common product)*
Special Ointment / Cream for Sunburn
Throat Lozenges
Visine

*Weight Loss Drugs (to treat
a specific Disease)*
Wound Care Products

PRACTITIONERS

Allergist
Chiropractor
Christian Science
Dermatologist
Homeopath
Naturopath
Obstetric Services
Osteopath
Physician
Psychiatrist
Psychologist

OTHER MEDICAL TREATMENTS / PROCEDURES

Abortion
Acupuncture
Alcoholism (inpatient treatment)
Bio-feedback Therapy (in
medically necessary situations)
Reconstructive surgery
(if medically necessary due to
a congenital defect or accident)
Drug Addiction
Hearing Exams
Hospital Services
Patterning Exercises
Physical Examination
(not employment related)
Physical Therapy
Rolfing
Speech Therapy
Sterilization
Transplants (including
organ donor)

IRS Section 213(d) Qualified Healthcare Expenses (continued)

Vaccinations / Immunizations
 Vasectomy and Vasectomy
 Reversal
 Weight Loss Program*
 Well Baby Care

**OTHER MEDICAL EQUIPMENT,
 SUPPLIES and SERVICES**

Abdominal / Back Supports
 Ambulance Services
 Arches / Orthopedic Shoes
 Counseling
 Crutches
 Guide Dog (for visually / hearing
 impaired person)
 Hearing Aids & Batteries
 Hospital Bed

Learning Disability (special
 school / teacher)
 Lead Paint Removal (if not
 capital expense and incurred
 for a child poisoned)
 Medic Alert Bracelet or Necklace
 Oxygen Equipment
 Prescribed Medical and
 Exercise equipment
 Prosthesis
 Splints / Casts
 Support Hose (if medically
 necessary)
 Syringes
 Transportation Expenses
 (essential to medical care)
 Tuition Fee at Special School

for Disabled Child
 Weight Loss Drugs (to treat
 a Specific disease)
 Wheelchair
 Wigs (hair loss due to disease)

VISION SERVICES

Artificial Eyes
 Contact Lenses
 Contact Lens Solution
 Eye Examinations
 Eyeglasses
 Laser Eye Surgeries
 Ophthalmologist
 Optometrist
 Prescribed Sunglasses
 Radial Keratotomy / LASIK

Ineligible Expenses

The IRS does not allow the following expenses to be reimbursed under the Health Reimbursement Arrangement. Expenses to promote general health are not eligible expenses unless prescribed by a physician for a specific medical ailment. This list is not meant to be all-inclusive.

GENERAL

Baby-Sitting & Child Care
 Canceled Appointment Fees
 Contact Lens Insurance
 Cosmetic Surgery/Procedures
 Dancing/Exercise Programs
 Diaper Service
 Discounts/Write-offs
 Electrolysis
 Exercise Equipment
 Eyeglass Insurance
 Fitness Programs
 Hair Loss Medication
 Hair Transplant
 Health Club Dues
 Illegal Operation or Treatment

Insurance Premiums
 Insurance Premiums Interest
 Charges
 Marriage Counseling
 Massage Therapy*
 Maternity Clothes
 Nutritional Supplements
 Personal Trainer
 Prescription Drug
 Discount Program
 Rogaine
 Student Health Fee
 Swimming Lessons
 Teeth Whitening/Bleaching
 Vision Discount Program Premiums
 Vitamins (for general health)

**OVER-THE-COUNTER
 MEDICATIONS**

Cosmetics
 Chapstick
 Face Cream
 Medicated Shampoos / Soaps
 Moisturizers
 One-A-Day Vitamins
 Suntan Lotion
 Toiletries
 Toothbrushes
 Toothpaste
 Topical Creams

* *Eligible only with Doctor's certification identifying the physical nature of the medical condition and length of treatment program. Massage therapy for the sole purpose of tension/stress relief does not qualify as an eligible expense.*