

SUMMARY OF HEALTH PLANS, HRA, HSA, AND FSA

Health Plans (VEHI Blue Cross/Blue Shield)

There are four VEHI Blue Cross, Blue Shield plans from which to choose because VEHI requires that all 4 of its health plans be offered to employees. The Plans are as follows and are summarized on pages 23 and 24 of the printed booklet:

- Platinum Plan
- Gold Plan
- **Gold CDHP Plan**
- Silver CDHP Plan

You may choose any one of these plans, however, **RCPS has developed incentives for employees to join only the GOLD CDHP Plan** and has not offered any incentives for joining the other three plans. The incentives are as follows:

- **HSA (Health Savings Account)**
- **HRA (Health Reimbursement Arrangement)**

Health Savings Account: (HSA)

To help employees pay the Blue Cross, Blue Shield maximum out-of-pocket expenses of \$5,000.00 for a family/two-person/parent child and \$2,500.00 for a single person, RPS will fund a Health Savings Account for the Gold CDHP Plan funded as follows:

	BCBS Max Out of Pocket	RPS Funded HSA	Your Exposure
Single	\$2,500.00	\$2,100.00	\$400.00
Two Person Plan	\$5,000.00	\$4,200.00	\$800.00
Parent with Child(ren)	\$5,000.00	\$4,200.00	\$800.00
Family Plan	\$5,000.00	\$3,800.00	\$1,200.00

You may also contribute more money to the HSA yourself with a payroll deduction, but must pay attention to certain limits.

The HSA funds will be deposited into employee accounts – 50% of the amounts set forth above in the first week in January of each year and 50% in the first week of July each year. You will have a **debit card for paying bills** from our third party administrator and online account access. The HSA funds deposited each year have the potential to substantially build up over time if they are not needed to pay for medical expenses in any given year. You always own the HSA money and can take it with you when you retire or resign.

Please note that not all employees are eligible for a HSA because it is an IRS tax-advantaged savings plan regulated and defined by the IRS as to who may participate. The IRS does not allow people who have signed up for any part of Medicare (including Part A) or Tricare (military medical) for example. **If you are over 65, please talk to the Business Office before you sign up for any plan.**

Health Reimbursement Arrangement (HRA)

The HRA alternative requires that the first money for out-of-pocket expenses will be paid by the employee before RPS pays any reimbursement and looks like this:

	BCBS Max Out of Pocket	Your "First Dollar" Exposure	RPS Funded HRA For After "First Dollar"
Single	\$2,500.00	\$400.00	\$2,100.00
Two Person Plan	\$5,000.00	\$800.00	\$4,200.00
Parent with Child(ren)	\$5,000.00	\$800.00	\$4,200.00
Family Plan	\$5,000.00	\$1,200.00	\$3,800.00

The employer funded HRA funding differs from the HSA funding in that the entire sum is eligible for reimbursement January 1 after the employee "First Dollar" requirements are met. The HRA does not carry over any reimbursement money to the next year. If it is not used during that year, it goes away and is refreshed the next year. Online access to your account is available.

Flexible Spending Account (FSA)

RPS offers a Limited Purpose Flexible Spending Account (FSA) (limited to dental, vision and any deductible ("First Dollar") expenses you may incur. This FSA will be attached to a **debit card** and you will also have online account access with the FSA.

**Note: If you have a HSA and are thinking of a FSA as well, you may want to consider putting additional money into your HSA as opposed to an FSA. If you have questions about this, please contact Bonnie Wood or Kristi Firliet.*

The annual FSA limit is \$2,600.00 per employee (for 2018). This is an IRS imposed limit and may be increased from year to year. This is an employee funded account through payroll deduction.

Participants should plan wisely. Up to \$500.00 remaining in the FSA at the end of the plan year (December 31st) will automatically be rolled to the new plan year.

Dependent Care (DCA)

Dependent Care reimbursement for expenses paid to your dependent care provider. Maximum family dollar limit is \$5,000.00 per calendar year. It is funded by the employee through payroll deduction and reimbursements are submitted via claims with receipts.

Dated: September 26, 2018