

Post-Employment Health Reimbursement Arrangement (HRA) Employer Guide



What is a Post-Employment HRA?

A Post-Employment Health Reimbursement Arrangement (HRA) is an employer-sponsored health benefit that helps eligible participants pay for qualified medical expenses after they meet the plan's eligibility requirements.

Depending on the employer's plan provisions, expenses incurred by a participant's spouse or tax dependents may also be eligible for reimbursement.

Important: Plan provisions vary by employer. Eligibility requirements, reimbursement, and access to funds are governed by your employer's plan documents. If this guide conflicting with the governing plan document, the plan documents control.

Benefits to employers

- Support employees as they transition into retirement.
- Help offset healthcare expenses after employment.
- Enhance the overall employee benefits package.
- Provide participants with a potential tax advantage. Employer contributions and reimbursements for qualified medical expenses are generally not included in taxable income when applicable requirements are met. Individual circumstances may vary.
- Offer a valuable retiree healthcare benefit without a separate HRA administration fee when the North Shore Bank 457(b) Deferred Compensation Plan is offered.

Why employers choose North Shore Bank

No Separate HRA Administration Fee

North Shore Bank provides administration of the Post-Employment HRA at no additional cost when the employer offers the North Shore Bank 457(b) Deferred Compensation Plan to eligible employees.

This approach allows employers to offer a valuable retiree healthcare benefit while simplifying administration and limiting additional plan expenses.

Examples of potentially eligible expenses

When permitted by the employer's plan, eligible expenses may include:

- Health insurance premiums
- Medicare premiums
- Prescription medications
- Deductibles and copayments
- Dental and vision expenses
- Other qualified medical expenses as allowed by the plan

Expenses must comply with the employer's plan provisions, applicable IRS requirements, and documentation requirements. Inclusion on this list does not guarantee eligibility.

Setup, enrollment and administration

1. Establish the Plan

The employer adopts the required plan documents and selects the applicable eligibility, contribution, and benefit provisions.

2. Identify and Enroll Eligible Employees

The employer provides accurate employee information, and eligible participants complete the required documentation.

3. Submit Employer Contributions

The employer submits contributions and supporting information according to the plan's procedures.

4. Process Participant Reimbursements

Once employer contributions have been received and the participant has satisfied the plan's eligibility requirements; the participant may submit reimbursement requests directly to North Shore Bank.

Requests should not be submitted through the employer.

Employer responsibilities

Employers are responsible for:

- Adopting and administering the Post-Employment HRA in accordance with the governing plan documents.
- Providing complete and accurate eligibility and contribution information.
- Notifying North Shore Bank promptly of retirements, separations, deaths, rehires, and other relevant status changes.
- Maintaining current authorized employer contacts.
- Communicating HRA benefits and distributing required plan communications and notices to eligible employees.
- Reviewing contribution submissions and related reports for accuracy.
- Protecting participant information and submitting data through approved secure methods.
- Consulting appropriate legal, tax, labor, and employee-benefit advisors regarding employer obligations and plan administration.

How North Shore Bank supports employers

- Assisting with participant enrollment
- Providing plan administration support and general compliance-related information. Employers should consult their legal, tax, and benefits advisors regarding their specific responsibilities.
- Assisting participants with reimbursements requests and account questions
- Educating participants on Investment choices available in the plan
- Providing ongoing service and support to employers and participants

Forms and resources

Employer and participant forms are available at northshorebank.com/HRA.



Need assistance?

We're here to help support you. Please call or email us if you need assistance.

Phone: 414-964-3390

Email: retirement@northshorebank.com

northshorebank.com/HRA

The investment options provided within this plan are NOT a deposit or other obligation of North Shore Bank or its affiliates; are NOT guaranteed by North Shore Bank or its affiliates; are NOT insured by the FDIC or any other agency of the United States; are subject to investment risk, including possible loss of value. Neither the Employer nor North Shore Bank can provide any level of assurance that these funds will perform in a specific manner.

Our representatives may not give legal or tax advice. Please consult your attorney or tax advisor for answers to your specific tax questions.