

Post-Employment Health Reimbursement Arrangement (HRA) Employee Guide



Information Guide

This guide explains your post-employment health reimbursement arrangement (HRA), how it works, and the steps you need to take to begin using your benefit.

What is a Post-Employment HRA?

A Post-Employment HRA is an employer-funded account that can reimburse eligible medical expenses after retirement or separation from service, according to the terms of your employer's plan. Eligible expenses may include:

- Health insurance premiums
- Medicare premiums
- Prescription drugs
- Deductibles and copays
- Dental and vision expenses
- Other qualified medical expenses permitted by your employer's plan and applicable Internal Revenue Code requirements

How your HRA works

Your employer contributes your unused Paid Time Off (PTO) or sick pay to a HRA in your name. HRA contributions can only be made by your employer; no contributions are allowed by employees.

Your employer does not pay FICA tax on HRA contributions, and reimbursements for qualified medical expenses are generally not subject to federal income tax, state income tax, or FICA tax when applicable requirements are met.

When your employment ends, your HRA funds become available to you to pay for qualified medical expenses for yourself, your spouse, or your eligible dependents.

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.

How to get started

To begin using your HRA benefit, you must be retired or separated from service.

Complete the **Post-Employment HRA Enrollment Form** with your employer. Your employer will submit your completed form to North Shore Bank along with your payout information.

Once your funds are received and your account is opened, North Shore Bank will send you a **welcome packet**. You'll need to complete two forms from the welcome packet:

- **ACH Authorization Form** to tell us where you want your reimbursements deposited.
- **Investment Options Form** to direct how you want to invest your HRA balance.

You can complete and submit these forms online at northshorebank.com/HRA.

How to submit a claim

Step 1 – Complete either the **Recurring Insurance Premium Form** or the **Out-of-Pocket Expense Claim Form**.

Step 2 – Gather supporting documentation, such as insurance premium invoices, Medicare documentation, receipts or explanations of benefits. Please keep copies of all claim forms and supporting documentation for your records

Step 3 – Submit your forms and documentation to North Shore Bank. To speed up the review and processing of your claim, use the web-enabled forms available at **northshorebank.com/HRA**. Reimbursement processing times may vary depending on receipt of required documentation. Typically expect 7-10 business days.

Important reminders

- Keep copies of all submitted forms and receipts.
- Reimbursements can only be made for eligible expenses.
- Claims must include appropriate supporting documentation. Documentation may include premium invoices, Medicare documentation, receipts, explanation of benefits (EOB's), or other proof of eligible expenses.
- Notify us promptly of any changes to monthly amounts, address, banking information, or qualified dependents.

What happens to my HRA if I die?

If you have a surviving spouse or eligible dependent, they may continue to use your remaining HRA balance for eligible medical expenses, subject to the provisions of your employer's plan. If there is no surviving spouse or eligible dependent, any remaining account balance will be returned to the employer and used for future HRA funding as provided under the plan.

Need assistance?

We are here to help with questions about your HRA account, enrollment, eligible expenses, or reimbursement requests. 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.