

HRA and FSA Product Selection Worksheet

The Basic HRA

The basic Coventry Consumer Choice (C3) Health Reimbursement Arrangement (HRA) covers in and out of network deductible expenses of a high deductible health plan, including any pharmacy deductible. There are three types of basic HRAs:

Shared Deductible

Employees pay for a portion of the deductible before funds are used from the HRA. After the employee satisfies the upfront HRA deductible, funds are drawn from the HRA to pay for eligible services.

Delayed Deductible

The HRA funds for the deductible are drawn first from the employer-funded HRA. After HRA funds are used, the employee is responsible for a share of the deductible.

Percentage of Reimbursement

The percentage reimbursement HRA splits responsibility for each claim between the employer and the employee, up to the selected funding amount and subject to any upfront deductible provisions, if applicable.

General Guidelines & Pricing

Page 2

HRA Worksheet with Optional Services

Page 3-4

FSA Basic & Optional Services

Page 5

General Guidelines and Pricing

- Through C3, HealthAmerica offers many account types and funding arrangements with no added cost for employers. Please use the guide below to determine if an administrative fee will apply.
- Certain funding options, including those with member responsibility outside the minimum guidelines outlined below, will require underwriting approval. A \$2.95 PEPM administrative fee may apply and underwriting reserves the right to adjust the medical premium to account for the utilization impact.
- Delayed deductible HRAs and *some* percentage of reimbursement HRAs do not have up-front member deductibles, and should be reviewed by underwriting to determine the pricing impact (see above).

Shared Deductible HRA

In-Network Single Medical Deductible	Minimum Single C3 Member Upfront HRA Deductible
\$1,000 – \$2,500	\$500
\$2,501 – \$10,000	\$1,000

C3 Pricing

Product	Small Group (<50)	51+Fully Insured	ASO	Description
HRA/FSA Basic Services	No Charge or \$2.95 PEPM	No Charge or \$2.95 PEPM	\$2.95 PEPM	Deductible-Only HRA, % Reimbursement Plans, Aligned HRA, Combined Basic HRA/FSA, Non-Standard HRA, HRA rollover, HRA network only, FSAs for health care and dependent care, extended run-out on the FSA and FSA grace period; Custom HRA Plans, if approved, may have additional charges.
Global HRA	\$1.00 PEPM	\$1.00 PEPM	\$1.00 PEPM	Allows the HRA to cover all 213d expenses (vision, dental, etc.), copay, coinsurance and deductible. Charged in addition to the base fees, if applicable.
Standalone FSA	\$5.95 PEPM	\$5.95 PEPM	\$5.95 PEPM	Basic FSA for non-Coventry medical members

Supplemental Fees

	Description	Charge
Change to group set-up after effective date	Change to group set-up based on misunderstanding of the product	\$500
Claim adjustments due to change in group set-up	Review claims and process any adjustments that occur due to client error on set-up	\$50 per hour
Ad hoc reporting requests	Development and delivery of ad hoc reports	\$150 per hour
Claims audit	Request after statistical sample audit has been performed and results warrant full audit to be completed as determined by C3	\$50 per hour

HRA Product Selection Worksheet

For Internal Use Only: Please note that you **MUST** have underwriting approval for the shaded areas for non-standard plan designs. This form must be submitted with the GSR for group setup.

Employer Group Name:	Employer TIN:
Applicable Subgroups:	Account Manager:
Deductible on Medical Plan:	Account Manager Phone Number:
Membership (estimated)	Health Plan:

Non-Standard Elections (election not predefined in the existing group set up tools like GSR)

Standard HRA fees apply. C3 Team will initiate update to GIA as appropriate to reflect the new drop down options. C3 Plan Lead approval is required to ensure design approach makes sense. No group size limitations apply.

If there are no changes to the "Non-Standard" plan design from one year to the next, a new non-standard worksheet does not need to be completed. However, a copy of the non-standard worksheet from the previous year, with the new plan year noted on page 2 and initialed by the current Account Manager, should be provided with the GSR. C3 determines if GIA update is required. If not, AM will resubmit at renewal.

Feature	Options	Employer's Choice	Notes
Reimbursable Services - Employer may select which types of expenditures are reimbursed by the HRA (in addition to deductible expenses). Unless otherwise noted, this applies to both Pharmacy and Medical cost sharing.	Coinsurance (if selected, pharmacy coinsurance will be reimbursed also)		
	Copay (if selected, pharmacy copays will be reimbursed also)		
Upfront Deductible - Employer may choose to have members pay an upfront deductible amount prior to accessing the HRA funding. Note the amounts for each tier. <i>ALL HRA-eligible expenses will count toward satisfying the HRA upfront deductible, regardless of whether those expenses are subject to the medical deductible.</i>	Include Upfront Deductible		
	Employee		
	Employee/Spouse		
	Employee/Child		
	Family		
Individual Upfront Deductible Cap - Employer may choose to add an individual upfront deductible cap amount. This will limit the amount a member within a family must pay as part of the upfront deductible before accessing the HRA funding.	Amount of Individual Upfront Deductible Cap (usually the employee upfront deductible amount)		
HRA Funding Amounts - Employer may choose the HRA funding amounts. Note the amounts for each tier. The funding amount can only be greater than medical deductible when HRA covers more than deductible (copay and / or coinsurance must be selected above).	Employee		
	Employee/Spouse		
	Employee/Child		
	Family		
Individual Funding Cap - Employer may choose to add an individual cap amount. This will limit the amount a member within a family may spend from the HRA.	Amount of Individual Funding Cap (usually the employee funding amount)		
Employer may allow reimbursement for other eligible 213d expenses	Above UCR		
	Other Member Liability (All 213d Expenses)		
Selected Services Reimbursement - These services should be used if the employer wants to create a fund that is specific to one type of reimbursement.	Dental		
	Vision		
	Rx		
Employer may choose to include ability to cover In-Network or Out-of-Network Services.	Cover Both In-Network and Out-of-Network Services the Same		



COVENTRY CONSUMER CHOICE™

HRA Funding Rollover – Employer may allow members to rollover any remaining HRA dollars at the end of the plan year to the next plan year from 0-100%. <i>NOTE: Funds in the rollover bucket from previous year(s) will be available to reimburse all HRA-eligible expenses, including those subject to an HRA upfront deductible, if applicable.</i>	Percentage of HRA to Rollover		
	Cap on HRA Rollover Bucket (None or a specific dollar amount)		
Percent Reimbursement – Employer may reimburse a certain percentage of every eligible expense from 0-100%.	Percent Reimbursement Selected		
Coventry Combination Options – Employer may include a HC-FSA stacked with the HRA.	Yes, include an HC-FSA that pays first		
	Yes, include a HC-FSA that reimburses after the HRA		
Employer may allow HRA to cover deductible expenses but not the Rx deductible expenses (<i>This is not applicable for a Super Joe or Qualified plan</i>).	Exclude Pharmacy Deductible from eligible HRA expenses		
Deductible Credit – Employer may include the expenses incurred by a member which have accumulated toward their current year deductible in the original plan; or Deductible Carryover - carryover of deductible from one benefit plan to another within Coventry.	Upfront Deductible Only		
	Employer Funding Only		
	Upfront Deductible and Employer Funding		

Contract Year:

Proration: No Yes Monthly (1/12th) Quarterly (1/4th)

Run-Out: No Run-Out 30 days 60 days 90 days

Group Contact Name: _____

Group Contact E-mail Address: _____

Secondary Contact E-mail Address: _____

Important Reminders:

- Depending on the business structure, certain individuals may not be eligible for an HRA or FSA (e.g. owners). In addition, certain individuals may not qualify for pre-tax contributions to an HSA. Legal or professional tax advice should be obtained.
- The plan document issued by C3 upon submission of this HRA worksheet must be signed prior to the effective date. If your plan document is executed after the effective date, the IRS may attempt to challenge the qualified status of your plan. We recommend that you retain any evidence that your plan was adopted and that enrollments were completed prior to the effective date. The Summary Plan Description (SPD), will be available through Online Account Management and it is the employer's responsibility to distribute copies to plan participants prior to the effective date.

Please check the box and type/sign your name to indicate your approval with the above plan design.

_____ C3 Plan Lead or Sales Mgr Name and Approval C3 Plan Lead or Sales Mgr Email

_____ Employer or Broker Signature Date

_____ Underwriting Name and Approval Date



FSA Basic & Optional Services

Part 7: C3 FSA Basic Services

- a. Select the accounts to be included: HC-FSA DC-FSA
- b. Select the HC-FSA Maximum Contribution Amount: \$1000 \$2000 \$3000 \$4000 \$5000
- c. Select Claims Run-Out Period (the amount of time allowed at the end of a plan year to submit eligible claims for reimbursement): No Run-Out 30 days 60 days 90 days **(Required if Grace Period is elected)**
- d. FSA Grace Period (allows participants to be reimbursed for eligible medical expenses incurred up to 75 days after the plan year ends): Yes No
- e. Employer Payroll Frequency for FSA Contributions: Weekly Bi-Weekly Semi Monthly Monthly
 Other (please specify) _____
- f. Employer's First Payroll Date for FSA Contributions: _____/_____/_____

Part 8: FSA – Optional Service

Buy-Up Option	Description of Service	Employer Selection	Additional Charge
FSA Standalone	Offer the HC-FSA and/or DC-FSA to employees who do not have HealthAmerica medical coverage		\$5.95 PEPM

Part 9: C3 Coventry Combination

If both the HRA and HC-FSA are chosen and the FSA is chosen to pay first, the FSA will be allowed to pay the upfront deductible. Once the FSA funds are exhausted, the member will have access to the HRA funds.

If the HRA is chosen to pay first, all charges that are not eligible for HRA reimbursement will be eligible to pay out of the FSA, including the HRA upfront deductible. However, this option will not require the FSA funds to be exhausted before the member has access to the HRA funds.

Which account will pay first (HRA or HC-FSA)? HC-FSA HRA

Important Reminders:

- Depending on the business structure, certain individuals may not be eligible for an HRA or FSA (e.g. owners). In addition, certain individuals may not qualify for pre-tax contributions to an HSA. Legal or professional tax advice should be obtained.
- The plan document issued by C3 upon submission of this HRA worksheet must be signed prior to the effective date. If your plan document is executed after the effective date, the IRS may attempt to challenge the qualified status of your plan. We recommend that you retain any evidence that your plan was adopted and that enrollments were completed prior to the effective date. The Summary Plan Description (SPD), will be available through Online Account Management and it is the employer's responsibility to distribute copies to plan participants prior to the effective date.

Employer Signature

Date

Broker Signature

Date

Account Manager

Date