

Health Care Reimbursement Account

Helping you save money and manage your qualified health care expenses with the convenience of a debit card for your pharmacy, dental and vision expenses.



A Health Care Reimbursement

Account is an easy, convenient, and smart way to plan – and save. Set aside pre-tax dollars, then use them to pay for eligible medical, dental, vision and pharmacy expenses throughout the year.

The Health Care Reimbursement Account

The Health Care Reimbursement Account (HCRA) is a cost-effective and easy way to help you manage your health care expenses. This account is available to you if you are enrolled in the CDHP 80 or CDHP 90 program. You can contribute up to \$7,500 on a before-tax basis to the health care reimbursement account.

Tax advantages

You set aside pre-tax dollars to pay yourself back for eligible out-of-pocket medical expenses such as office visit copays, dental treatments, vision care expenses and prescription drugs, just to name a few. Since you're setting aside pre-tax dollars, you'll save money because less of your income is taxable.

It's easy

You will receive a debit card when you enroll in the Health Care Reimbursement Account. You may use the card to pay for qualified pharmacy, dental and vision expenses. For medical expenses that are not entirely paid by the Health Fund, you will need to submit a reimbursement form directly to the HCRA. Directions on how to do so are listed in the "Submitting a reimbursement form" section on the next page.

Estimate your out-of-pocket expenses for yourself and your eligible dependents for the year. Your estimate should include the number of times you and your dependents usually see the doctors and dentists in a year (annual checkups, dental cleanings, etc.). This estimate should also include any prescriptions you get filled on a regular basis as well as any vision expenses your family may incur. You must also estimate what your medical, prescription, vision or dental program covers and your payment responsibility under each program. This should help you determine your approximate expenses and how much to contribute to your HCRA.

Following is a partial list of expenses that qualify as federal income tax deductions under Section 213(d) of the tax code. For a complete list, please visit www.CIGNA.com.

- acupuncture
- ambulance services
- amounts above "maximum reimbursable charges"
- birth control pills and devices
- chiropractic services
- coinsurance amounts
- contact lenses and solutions
- copays
- crutches
- deductibles
- dental and orthodontic services
- hearing aids
- laser eye surgery
- physical therapy
- prescription drugs
- psychiatric care
- smoking cessation programs
- vaccines
- vision care
- well-baby care
- wheelchairs and x-rays

Please note: You may not use the Health Care Reimbursement Account for expenses for treatments or services received solely for cosmetic purposes or to benefit your general well-being.

Payroll deduction

When you enroll, your HCRA will be funded with the full dollar amount of your annual contribution. Your actual contribution will be deducted from each paycheck throughout the year. Remember, these deductions come from pre-tax earnings, reducing the amount of your taxable income and thus increasing your take-home pay.

Submitting a reimbursement form

You must submit a reimbursement form directly to your HCRA to receive payment for:

- CDHP medical expenses that are not entirely paid by the Health Fund.
- Pharmacy, dental and vision expenses if you didn't use the debit card at the time of purchase for these expenses.

To submit a reimbursement form, complete and sign a Health Care Reimbursement Account Request form (available on the CIGNA custom Web site for Prudential, under the link for reimbursement forms at: <http://provider.healthcare.cigna.com/prudential.html>) and include all documentation.

CIGNA can accept the following types of documentation: itemized receipts; invoices; claim statements; EOBs; or other proofs of payments. CIGNA cannot accept: bank card statements; cancelled checks; estimates of charges; balance due statements; or illegible documents. For ongoing expenses such as maintenance medications, the IRS requires a reimbursement form for each expense.

To avoid delay, please complete all required fields on the Health Care Reimbursement Account Request form and include all appropriate documentation. Mail the completed form and all documentation to the address on the form. If information or documentation is incomplete or missing, we will request it in writing.

Direct Deposit

You may receive reimbursement for the HCRA claims you submit yourself via direct deposit to your bank account. To enroll for this service, after January 1st, visit mycigna.com and access this feature under the "accounts tab".

You can also call 1-888-502-4462 for more information or directions. It will take 20 days from the time of enrollment for your account to be set up and for direct deposits to be received.

Important considerations

- We recommend that you make sure any covered dependents meet the IRS definition of "dependent." In simple terms, there are two key factors: The dependent must be living with you, and you must be paying more than half of your dependent's support. If a covered person (including a domestic partner, civil union partner or same sex spouse) doesn't meet this definition, you should not elect automatic claim submission or submit any claims for this dependent to your HCRA. Payments issued from the HCRA for this nonqualified individual will be subject to tax. For more information, please visit www.irs.gov.
- **Please save all itemized receipts.** CIGNA may need supporting information, including receipts, to verify that the expense is eligible and complies with IRS rules. That's why it's important to save all receipts and fax or mail them promptly when you're asked for them. If you use your debit card for certain expenses and do not submit proper receipts if required, the expenses are considered ineligible and you'll have to reimburse your account. You could also lose the tax-exempt status of your account and lose access to your debit card.
- You are eligible to receive the full amount of your HCRA annual contribution for payment of qualified health care expenses even if payroll deductions have not yet reached your total contribution for the plan year.

Health Care Reimbursement Account

Manage your health care expenses on your terms

Important considerations (continued)

- CIGNA must receive all plan year reimbursement forms by June 30th of the following plan year.
- Remember, you lose what you do not use. The IRS requires that you forfeit unused account balances at the end of the claims period.
- Your employer will allow you to use your HCRA funds remaining at the end of the plan year to pay for claims incurred until March 15th of the following plan year.
- If you or your spouse are making contributions to a Health Savings Account (HSA), you are not eligible to enroll in the HCRA. However, you may enroll in a Limited Purpose HCRA that can be used for reimbursement of eligible dental and vision care expenses. A Limited Purpose HCRA cannot be used for reimbursement of medical expenses.

Staying informed is easy

Quarterly Statements are available on myCIGNA.com.

These statements keep you aware of your account balance, disbursements and other important information.

Explanation of Benefits (EOB). After each transaction, you receive an Explanation of Benefits. The EOB shows payments made from your HCRA; requests for payments that were denied; and the reasons for the denials.

CIGNA custom Web site for Prudential. By logging in to <http://provider.healthcare.cigna.com/prudential.html>, you'll have direct access to Reimbursement Account Request forms and a link to myCIGNA.com.

myCIGNA.com. Once enrolled you will have online access to account information whenever you need it: up-to-date balance information; claim status; past transactions and answers to general questions.

We're here to help. Member Services representatives are available 24 hours a day, seven days a week, including holidays. Just call the toll-free number at 1-888-502-4462.

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