



VEBA HRA Guide



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What is a VEBA HRA

The VEBA is a great benefit! Your employer deposits funds into a VEBA account, which is a tax-exempt irrevocable trust arrangement. It's paired with a Health Reimbursement Arrangement (HRA) which allows you to use the VEBA funds for current or future out-of-pocket health-related expenses. The VEBA HRA doesn't replace your group health insurance plan. **It works with your plan to provide additional coverage.**

Did you know that VEBA assets are protected from creditors?



Active Employees

Use money in your VEBA HRA to pay health plan deductibles, co-pays and coinsurance as well as prescription drugs and certain insurance premiums. Don't worry. If you don't spend all of the funds in your VEBA HRA by the end of the year, your balance will simply roll into the next year. You'll accumulate funds over time which means you'll have money to pay for health expenses when you retire.



Post-retirement

Your employer can contribute funds to help you, your spouse and eligible dependents pay for medical expenses even after your retirement. That's pretty generous! Use your post-retirement VEBA funds to pay for certain medical premiums and long-term care premiums. Your employer can choose to make contributions throughout your working life or convert accumulated unused sick time, vacation, severance money, or other longevity-based benefits.



Tax Advantages

VEBA is a tax-advantaged account so you aren't taxed on your employer's contributions to it. Plus, your VEBA accrues interest that grows on a tax-free basis. Since VEBAs have to be used for eligible medical expenses, your distributions are tax free, too. **Money goes in tax free, is invested tax free, and comes out tax free.**



Full Coverage

All medical expenses defined under IRS Code Section 213(d) are eligible under your VEBA HRA including:

- Co-pays, prescriptions, over-the-counter medications, and deductibles
- Dental, medical, and vision services
- Medicare Part B and D
- Medical supplies and equipment

	No VEBA	VEBA
Initial Deposit	+\$25,000	+\$25,000
Federal Income Tax (appx. 25%)	-\$6,250	-\$0
FICA Tax (appx. 7.65%)	-\$1,912	\$0
Amount you get	\$16,838	\$25,000

A Few Guidelines

- VEBA is an acronym for Voluntary Employees' Beneficiary Association. It is a type of trust used to hold plan assets for the purpose of providing employee benefits. VEBAs are authorized by Internal Revenue Code § 501(c)(9).
- A VEBA may only be funded with employer dollars; employees may not contribute.
- You may use funds in the VEBA HRA to pay for eligible medical expenses now or in retirement.
- Unused funds roll over from year to year.
- You have the option to invest a portion of your unused funds in the market which is a great way to save for retirement.
- Funds in the accounts continue to grow until claims are processed and funds are withdrawn.
- You may submit claims for reimbursements one of four ways: Online, Mobile App, Fax, or US Mail. You may also access your funds with the Benefit Card which works just like a credit or debit card.
- You'll need to submit an insurance Explanation of Benefits (EOB) or itemized statement with a claim form to get reimbursed for eligible expenses.
- To ensure IRS compliance, 100% of claim requests are substantiated.
- We issue payments to you for eligible expenses either through direct deposit or with a manual check.
- The IRS requires the VEBA HRA to be integrated with a group health plan. It may not be offered to employees, or spouses and/or dependents without group health coverage. To comply with this IRS rule, you'll need to verify that your spouse and/or eligible dependents are covered under an employer-sponsored health plan before submitting claims on their behalf. Their employer-sponsored health plan may be with your employer or with their employer.

Throughout this guide, you'll find information about the key services and features to help maximize the benefits of your VEBA HRA. Feel free to reach out to us anytime you have questions or concerns. We're here to help.

We Have Your Back

Your VEBA HRA is administered by MEDSURETY, LLC. We believe in delivering a technology that makes healthcare financial decision-making easy and creates opportunities to save for healthcare retirement.

We're delighted to have you as a customer. We'll do everything we can to provide you with the best service in the industry and help ensure your experience with us is always positive.

Online Services

With MEDSURETY, you'll find all of the tools to manage your account with the simple click of a mouse, like:

- Account balance
- Investment elections/ reallocate account balance
- Fund fact sheets and prospectuses
- Online statements with statement on-demand capabilities
- Online claim submission
- Claims status and history
- Plan documents
- Pertinent forms
- Educational materials
- Legislative information
- More

The Benefit Card

Because you're enrolled in the VEBA HRA, you'll receive the Benefit Card at no cost. **It's a quick and easy way to access your VEBA HRA funds.**

It works just like a credit or debit card. When you use it at the doctor's office or pharmacy, funds are automatically pulled from your VEBA HRA and paid directly to the healthcare provider. No more writing checks or paying cash. Use your Benefit Card for any qualified health-care expenses.

A Few Details and Tips

- **It's in the mail.** About two weeks after enrollment, you'll receive two Benefit Cards in a white envelope marked "do not throw away." If a family member throws away the cards mistaking them for a credit card solicitation, we will have to charge a **\$5 VISA replacement fee** for new cards.
- **Available Balance.** VEBA's are subject to fluctuations in market investments. You may spend up to 90% of your balance with the Benefit Card so you don't risk overdrawing the account. If an expense is more than your remaining balance, the card will be declined. If you need to access more than 90% of your VEBA, complete and submit a claim form for reimbursement. Visit medsurety.com for more details on filing claims.
- On the medsurety.com website you will only be able to view the 90% VEBA balance that is available for debit card expenses. To view 100% of your VEBA balance please see the directions on page 6 of this guide to log into your BPAS trust account.
- **Making a Purchase.** Check your account balance before making a purchase so you can split the cost if you'll be short. Use the card for the exact amount in your account, then pay the remaining amount separately. Benefit card purchases are controlled at the merchant level. If your card is denied, it is likely due to a merchant restriction. If that happens, you'll need to use another form of payment. Then, keep your receipts and submit them for reimbursement.
- **Three Words: Keep Your Receipts.** The IRS requires that you use the card only for eligible expenses under the VEBA HRA. The card is "merchant coded" so it won't work at gas stations or restaurants. There may be times we'll need to see a receipt to verify an expense. If you receive a receipt request, be sure to submit it as soon as possible to avoid having your card suspended.

Pay off your health care bills with the card too. Simply write the Benefit Card number



on your statement for services you received in the plan year and send it to your health care provider. Then, send us a copy of the itemized bill from your provider or insurance carrier. (Sorry, it's an IRS requirement.)



What's an itemized receipt? According to IRS rules, an itemized receipt must include the merchant or provider name, description of services received or item purchased, date of service, and amount charged. Canceled checks, handwritten receipts, card transaction receipts, or previous balance statements aren't considered itemized receipts.

BPAS University

BPAS University (BPAS U) is a proprietary online library that offers a diverse array of free planning tools, articles, calculators, videos, links, and more to guide you along your journey to a secure future.

The BPAS U mobile app puts account information into the palm of your hand allows you to:

- Utilize a variety of free educational multimedia tools and resources
- Participate in **workshops and webcasts** and learn how to apply critical financial concepts to your own life
- Receive notification when new information is available to explore
- Access your secure online account along with forms, plan guides, regulatory updates, and more

Visit u.bpas.com to get started.



What's Covered

Maximize the Value of Your Reimbursement Account - Your VEBA HRA dollars can be used for a variety of out-of-pocket health care expenses. Please note: premiums for individual health insurance are not covered expenses under the VEBA HRA. The following list is based on eligible and ineligible expenses used by Federal employees.

Eligible Expenses

BABY/CHILD TO AGE 13

- Lactation Consultant*
- Lead-Based Paint Removal
- Special Formula*
- Tuition: Special School/Teacher for Disability or Learning Disability*
- Well Baby /Well Child Care
- Baby Electrolytes and Dehydration
- Pedialyte, Enfalyte

DENTAL

- Dental X-Rays
- Dentures and Bridges
- Exams and Teeth Cleaning
- Extractions and Fillings
- Oral Surgery
- Orthodontia
- Periodontal Services

EYES

- Eye Exams
- Eyeglasses and Contact Lenses
- Laser Eye Surgeries
- Prescription Sunglasses
- Radial Keratotomy

HEARING

- Hearing Aids and Batteries
- Hearing Exams

LAB EXAMS/TESTS

- Blood Tests and Metabolism Tests
- Body Scans
- Cardiograms
- Laboratory Fees
- X-Rays

MEDICAL EQUIPMENT/SUPPLIES

- Air Purification Equipment*
- Arches and Orthotic Inserts
- Contraceptive Devices
- Crutches, Walkers, Wheel Chairs
- Exercise Equipment*
- Hospital Beds*
- Mattresses*
- Medic-Alert Bracelet or Necklace
- Menstrual Care Products
- Nebulizers
- Orthopedic Shoes*
- Oxygen*
- Post-Mastectomy Clothing
- Prosthetics
- Syringes
- Wigs*

MEDICAL PROCEDURES/SERVICES

- Acupuncture
- Alcohol and Drug/Substance Abuse
(inpatient and outpatient care)
- Ambulance
- Fertility Enhancement and Treatment
- Hair Loss Treatment*
- Hospital Services
- Immunization
- In Vitro Fertilization
- Physical Examination *(not employment related)*
- Reconstructive Surgery *(due to a congenital defect, accident, or medical treatment)*
- Service Animals
- Sterilization/Sterilization Reversal
- Transplants *(including organ donor transportation)**

MEDICATIONS

- Insulin
- Over-the-Counter (OTC) Medications
- Prescription Drugs

OBSTETRICS

- Breast Pumps and Lactation Supplies
- Lamaze Class
- OB/GYN Exams
- OB/GYN Prepaid Maternity Fees
(reimbursable after date of birth)
- Pre- and Post-natal Treatments

PRACTITIONERS

- Allergist
- Chiropractor
- Christian-Science Practitioner
- Dermatologist
- Homeopath
- Naturopath*
- Optometrist
- Osteopath
- Physician
- Psychiatrist or Psychologist

THERAPY

- Alcohol and Drug Addiction
- Counseling *(not marital or career)*
- Exercise Programs*
- Hypnosis
- Massage*
- Occupational
- Physical
- Smoking Cessation Programs*
- Speech
- Weight Loss Programs*

Ineligible Expenses

- Contact Lens or Eyeglass Insurance
- Cosmetic Surgery/Procedures
- Marriage or Career Counseling
- Lotions and Creams
- Electrolysis
- Personal Trainers

Individual Insurance premiums may be an eligible expense under your plan. Check with your HR Department to verify.

Note: This list is not all-inclusive; other expenses not specifically mentioned may also qualify. Also, expenses marked with an asterisk (*) are "potentially eligible expenses" that require a Note of Medical Necessity from your health care provider to qualify for reimbursement. Please visit irs.gov/publications/p502/ for a full list of eligible and ineligible expenses. Publication 502 should be used as a reference guide only.

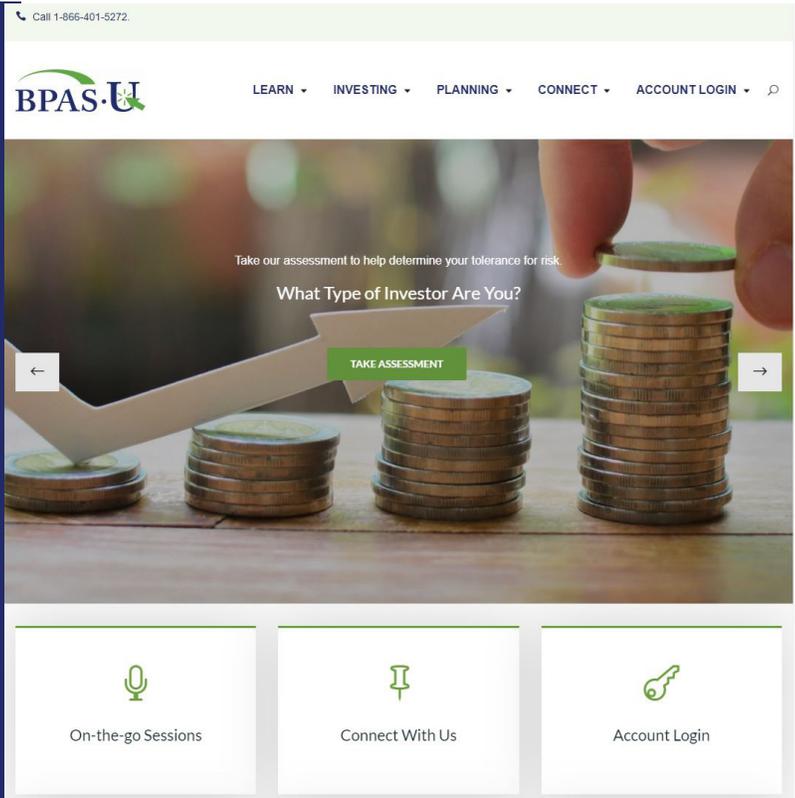
Online Account Access

You have the option to grow your balance by investing your VEBA Funds from first dollar!

Online Account Access for Investments

To get started with your online investment services, follow the easy steps below. From the investment portal, you can also SSO into the MEDSURETY Claims portal for easy access.

1. Go to **u.bpas.com**.
2. In the **Account Login menu**, select **"VEBA"** for your account type.
3. You'll be prompted to enter the last 4 digits of your SSN, your DOB, and your Plan Code:
NORPUB3838
4. Once you enter the Plan Code, the system will prompt you to create a User ID, Password, and a Challenge Question/Answer.



Easy Online Investment Elections and Allocations

After logging into your account, select **Fund Election Change** from the Transactions tab. You'll see a list of investment options offered within your Plan. Simply enter your new desired percentage(s) next to each fund and click the Change Elections button. Be sure the total adds up to 100%. It's that easy!

Want to change the way your existing balance is allocated to match your new investment elections? Just select **Rebalance** from the **Transactions** tab and check the option for "Rebalance to match your current investment election percentages for future contributions."



Accessing Online Balance Information

The home page displays your current account balance. The Total Account Balance is the balance of your VEBA investment account. (The HRA Amount Available is 90% of your VEBA balance less any pending debit card authorizations and is the amount immediately available for reimbursement on your debit card.) You may also view your account balance by choosing the following options from the Account Summary tab:

- Fund Totals. Account balance is displayed by investment fund.
- Source Totals. Account balance is displayed by money source.
- Fund Detail. Account balance is displayed by investment fund and money source within each fund.
- Source Detail. Account balance is displayed by money source and investment fund within each money source.

From here, you'll find everything you need to view your account balance, update your personal information, and more.

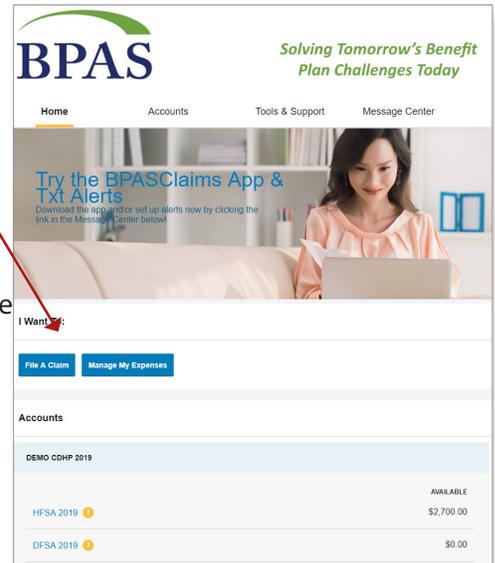
Remember to update your email address! It's the fastest, easiest way to keep your account secure. We'll notify you immediately via email of any account activity.

Fast and Easy Online Claims

You can access the online claims portal either through SSO in the investment portal, or directly logging into medsurety.com.

- On the Claims Home Page, select the **“I Want To... File a Claim”** button.
- Follow along with the Reimbursement Request Wizard, then upload documentation.
- Repeat this process until all claims have been added. Read and agree to the Terms & Conditions and click **Submit**.
- The **Transaction Confirmation** page will display. You may print the claim confirmation page as a record of your submission.

NOTE: If you see a **Receipts Needed** link in the **Tasks** section of your Home Page, click on it to see a listing of any claims that require receipts or documentation.



Did you know you can set up recurring claims?

File a claim just once and get reimbursements all year long! Just check the box for “Set up a recurring claim for this expense” when completing your claim form.

Add Dependents

IRS guidelines prevent us from paying for services to dependents not listed in your profile. To add/remove dependents:

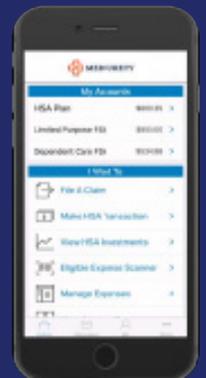
- Select Claims from the Account Summary tab on the Home page
- Select Access Reimbursement Account
- Hover over Accounts and select Profile Summary . You'll be able to edit dependent data by clicking the view/update link under the dependent name or select Add Dependent to enter a new dependent to your plan. (You'll need a Social Security Number for each dependent to request reimbursements under your VEBA.)

MEDSURETY Mobile App Anywhere. Anytime.

Download the free MEDSURETY mobile app by searching MEDSURETY from the app store or marketplace.

The login for the app is the same as your claims portal login that you have set up.

- Check Your Account Balance
- File Claims
- Check Claims Status
- Upload Receipts - using the camera on your phone.
- Report Lost Cards for Deactivation
- Use the Bar Code Scanner to find Eligible OTC items



A Few Common Questions

How do I view my claims history and status?

On the Home Page of the Claims portal, click the Account link that shows your available balance. A list of submitted claims will appear. To view claim details, click anywhere on the claim.



How do I view my payment history?

1. On the Home Page of the Claims portal, hover over the **Accounts** tab and click **Payments**. You will see reimbursement payments made to date, including debit card transactions.
2. Click anywhere on the claim to see claim details.

How do I report a lost debit card and/or request a new card?

1. On the Home Page, hover over Accounts and select Banking/Cards from the menu.
2. Under the Debit Cards column, click Report Lost/Stolen or Order Replacement and follow instructions.

How do I get my reimbursement quickly?

The fastest way to get your money is to sign up for direct deposit to your personal checking account. To sign up online:

1. On the Home Page of the Claims portal, hover over the **Accounts** tab, then choose **Payment Method** from the menu.
2. Under the Current Payment Method, select **Update**. Then simply add or update your bank account information and click Submit.
3. The Payment Method Changed confirmation will display.

How do I obtain information on the plan's fund options?

The participant website has a wealth of information about the investments available in your Plan. From the **Fund Information** tab, select:

- **Fund Links.** Each investment option is displayed with the ability to view:
 - Historical prices
 - Fund fact sheets
 - Prospectus
 - Additional research
- **Fund Performance.** This option provides the performance for each fund offering in the plan. You may view each **fund's prospectus by clicking the P next to the fund name**. You may view an **online chart by clicking the C next to the fund name**. Anytime you see a fund name **underlined in blue** text, you can click on it to view performance information, expense ratios, and links to the fund fact sheet and prospectus.

What does it mean if funds in the plan have trading restrictions?

Many mutual fund companies have introduced trading restrictions to discourage short-term trading. When requesting a change to the allocation of your current account balance, the website will indicate which funds impose a trading restriction. If you have recently submitted a transfer or rebalance request that resulted in a trading restriction, the fund that is temporarily restricted from future transfers will appear in red, reflecting the number of days remaining before a subsequent trade (or opposite way transfer request) can be made. If you have a pending trading restriction in one or more funds, you may still transfer other portions of your account by using the Fund-to-Fund Transfer option.

How do I change the way my account balance is invested?

The **Transaction** tab offers you two ways to change the investment of your current account balance:

- **Fund-to-Fund Transfers.** This option allows you to transfer money from one investment to another. Click the arrow next to the transfer option you desire (transferring out a dollar amount or a percentage). Select the fund from the drop-down menu that you wish to transfer money out of, and then indicate the percent or dollar amount you want to transfer. Now, enter the percentage(s) among the new funds(s) for which you wish to transfer; total must add up to 100%. Click Submit Transfer to verify your request, and Confirm. Please Note: This change will only affect the way your current account balance is invested; it will not change how future contributions are invested in your account.
- **Rebalance** allows you to a) Provide specific percentages for each asset; or b) Rebalance to match your current investment election percentages for future contributions.

Click the radio dial next to the rebalancing method you choose. If you elect to rebalance by providing specific percentages for each asset, enter your new desired percentages next to each fund in the table below. The total must add up to 100%.

If you choose to rebalance to match your current investment election percentages, those percentages will automatically be entered into the "Change To" column in the table.

If you'd like your existing account balance to be automatically rebalanced to these percentages, scroll down and click the box next to Automatically Rebalance My Account. Then click the radio dial next to the frequency in which you would like your account to be automatically rebalanced and click Submit Automated Rebalance to confirm your request. Note: Using the account rebalancing option will trigger a new set of trading restrictions initially, and whenever your account is rebalanced. As a result, some participants choose to use annual rebalancing rather than quarterly.

How do I receive copies of prior participant statements? Statements will be mailed to your home address quarterly. To get a copy, select the **Resource Center** tab. Statements are organized by plan year under Quarterly Benefit Statements.

Can I choose to get my statements and notices electronically? Yes, in fact we encourage it! To “Go Green,” choose the **Account Maintenance** tab, then choose **Preferences**. You may then choose your Go Green options.

How do I reach MEDSURETY for additional assistance?

Call our highly-trained US-based Customer Service team at 1-888-816-4234 anytime Monday through Friday from 8 am to 5 pm CST. You may also send email inquiries to customerservice@medsurety.com.

Why do I need receipts for things I buy with the Benefit Card? There will be times when we’ll require a receipt to comply with the IRS guidelines. It’s best to send an itemized statement or Explanation of Benefits (EOB) from your insurance carrier so we can verify the service you received complies with IRS rules.

Sometimes the bill from your doctor or dentist doesn’t provide enough information to show that the services are eligible for reimbursement. In such cases, we’ll need to see an itemized receipt. For example, if you use the benefit card at the dentist, was it for a cleaning, which is eligible; or for teeth whitening, which is ineligible? If it’s unclear, we’ll send you a receipt request. We’ll send out three notices asking for receipts. If we don’t receive the receipt/documentation, we’ll have to temporarily deactivate your Benefit Card until we receive the information required by the IRS.

Why do I need to sign a release for you to speak with my spouse or family member?

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) was created to protect your health information and safeguard individually identifiable information, called protected health information or PHI. Under HIPAA, we can only discuss PHI with the individual patient and/or primary plan member unless you authorize us in writing to share the information with someone else, like your spouse. So, even if you tell us it’s OK to share PHI with your spouse, we can’t legally discuss any information with him/her unless you sign the authorization. For your convenience, you may find an authorization in this enrollment kit and at bpas.com.

Have other questions? Give us a call.
1-888-816-4234