

CITY OF DETROIT POST-2014 NON-SAFETY EMPLOYEE RETIREE HEALTHCARE TRUST

**P.O. BOX 1497
TROY, MICHIGAN 48099-1497
(248) 641-4989**

Frequently Asked Questions About the Health Reimbursement Account

What is the City of Detroit Post-2014 Non-Safety Employee Retiree Healthcare Trust?

The Trust is a Health Reimbursement Account that provides for the reimbursement of certain IRS recognized healthcare related expenses. It was set up through an agreement between the City and its Local Unions to provide a means to help subsidize the cost of medical care provided to City of Detroit Retirees who are eligible for the benefit.

Who is eligible for these HRA Benefits?

Non-Safety employees of the City of Detroit who retire *on or after January 1, 2015* are eligible.

How much money is available for me to use?

The arrangement between the City and the Local Unions stipulates that a monthly stipend is allocated to each eligible participant beginning in 2015. That amount increases each year by 3%. In 2015 each eligible retiree received \$125 per month. The rate received for 2024 is \$159 per month. The amounts allocated to each eligible participant's account continues to build up until claims for reimbursement are received and reimbursements are made from the participant's account.

What happens at the end of the year? Do I have to spend the money that's in my account to avoid forfeiting it?

No. Unlike Flexible Spending Accounts which have the "Use it or Lose it" rule, any account balance you have at the end of the year will roll over into the next year. Each month the applicable monthly stipend is added to your account until it's spent on eligible expenses.

Can I get reimbursed for any and all medical expenses through the HRA?

Not always. There are certain medical expenses that are recognized by the Internal Revenue Service that can be reimbursed through the Plan but not every expense that some may consider a "medical expense" is reimbursable. The Plan follows the IRS guidelines so some expenses may be deemed ineligible and not reimbursed for that reason. If a claim for reimbursement is denied, an explanation of benefits (EOB) is sent back to the participant explaining why it could not be paid.

How do I submit an expense and get reimbursed by the Plan?

There is a form to be filled out and sent to the Plan Administrator, BeneSys. Complete the form and mail it to the address indicated on the form along with detailed receipts for the medical, dental or prescription expenses to be reimbursed. The forms are available on the web site at www.ourbenefitoffice.com/CityOfDetroitPost2014. Or by calling (248) 641-4989

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I have some medical expenses from a few years ago. Would these be eligible for reimbursement through the Plan?

The Plan has certain filing limits. Participants should send in receipts and/or documentation of out-of-pocket qualified medical costs as accrued monthly. However, claims must be filed within 18 months of the date of service. Claims filed after 18 months from date of service will be denied. (Example 1: Date of Service 1/1/2024, must be filed by 6/1/2025 or they will be denied. Example 2: Date of Service 4/1/2024, must be filed by 10/1/2025 or they will be denied.)

Can expenses for my family be reimbursed through the Plan also?

Yes. Eligible medical expenses for your IRS recognized dependents (generally spouse and children) can be reimbursed as well. However, when you pass away your dependents will no longer be able to have expenses reimbursed.

Can expenses in any amount be reimbursed by the Plan?

Eligible expenses can be reimbursed in any amount, however expenses less than \$25 must be combined with other eligible expenses because the Plan has a minimum amount of \$25 reimbursement.