



Iron Workers' Local No. 25 Fringe Benefit Funds

P.O. Box 99219

Troy, MI 48099-9219

Phone: (248) 347-3100 • Toll Free: (800) 572-8553 • Fax: (248) 813-9898

Website: www.iw25fringe.org

January 2023

Dear Participant,

The Trustees of the Iron Workers Health Fund of Eastern Michigan (Fund) are pleased to announce the implementation of a Health Reimbursement Account (HRA).

Effective for hours worked on or after June 1, 2022, a portion of the hourly Employer Contributions received on your behalf, currently \$0.25, will be credited to the HRA set up on your behalf. Reimbursement will be available for eligible expenses incurred on or after February 1, 2023.

The HRA can be used to cover out-of-pocket expenses, including medical, dental, vision, and prescription copays and expenses not otherwise covered by the Plan, and which qualify as a medical expense under the Internal Revenue Code. You will receive a "Benefit Reimbursement Credit Card" (referred to as a "Benny Card") to pay for eligible medical expenses. You may also submit receipts of medical expenses with a completed HRA form to the Fund and receive a reimbursement check. Make sure you retain all your receipts when you use the Benefit Reimbursement Credit Card, as you may need to prove that those expenses qualified as medical expenses (this is referred to as "substantiation"). If you can't prove the expenses were medical, you may owe additional tax.

Included in this mailing are:

- **Frequently Asked Questions (FAQ)** that we hope will answer most of your questions regarding eligible expenses, terms and conditions of the HRA, and the reimbursement process. Due to IRS regulations, the Fund is required to verify your claims and, in certain circumstances, must obtain full itemization of expenses that you are claiming for reimbursement from your HRA.
- **HRA Claim Form** for use when manually submitting reimbursement requests.
- **Terms and Conditions of the HRA.** Please keep this document with your Summary Plan Description.

Please read these documents carefully and be sure to keep these documents in a safe place for future reference.


If you have any questions, feel free to contact the Benefits Office at (800) 572-8553 or (248) 347-3100.

Sincerely,

The Benefits Office for the
Board of Trustees of the Iron Workers Health Fund of Eastern MI



Commonly Asked Questions Regarding Your New Health Benefit Reimbursement Debit Card

Question	Answer
GENERAL INFORMATION	
<i>What is the Benefit Reimbursement Card?</i>	<p>The Benefit Reimbursement Card is a prepaid debit card that contains the value of your Health Reimbursement Account (HRA). The card can be used at the point of sale to pay for eligible medical expenses with the payment taken directly from your HRA account.</p> 
<i>What is an eligible medical expense?</i>	<p>You can use your HRA account to reimburse you for amounts you pay for medical, dental, vision or prescription drug expenses, which are not covered by the Health Fund and which are considered a qualified medical expense as defined by the Internal Revenue Code. The HRA may be used for all “qualified medical expenses”. Unfortunately, we cannot provide an exhaustive list of all possible “qualified medical expenses”. A partial list is provided in IRS Pub 502 (available at www.irs.gov).</p>
<i>How many debit cards will I receive?</i>	<p>Two debit cards, both of which will be issued in your name, will be sent to your home address at no cost to you. If you require additional cards, you can order them by contacting the Benefit Office at 800-572-8553 or via email at Local25BennyCard@benesys.com. There is a fee of \$10 for additional or replacement cards if your card is lost or stolen. This fee will be deducted directly from your account. For a spouse or eligible dependent to use the card, they need only to sign the back of it.</p>
ACTIVATING YOUR CARD	
<i>How do I activate my cards?</i>	<p>To activate both of your cards, you must call 866-898-9795 as instructed on the front of the card or visit my.wexhealthcard.com. You only need to activate one card in order for both cards to work. Wait at least one (1) business day after activation for the cards to work. Anyone using the card should sign the card with their own name.</p>
<i>How much is on the Benefit Card?</i>	<p>The dollar value on the Benefit Card is the total amount in your HRA account. This amount will be sent to you with your status slip sent with January 31, 2023 deposits.</p>
USING YOUR CARD	
<i>How does the Card work?</i>	<p>The card works just like any other pre-paid credit card. When you purchase any eligible health care items or services at a business that accepts MasterCard®, you simply use your Benefit Card to purchase those items or services. The amount will then be deducted automatically from your HRA account. The Benefit Card eliminates most out-of-pocket cash outlays and paperwork, as well as the need to wait for reimbursement checks.</p>



Commonly Asked Questions Regarding Your New Health Benefit Reimbursement Debit Card

<p><i>If my card can be used to pay for eligible medical expenses, where can I use it?</i></p>	<p>The Benefit Card can be used at most medical, dental and vision providers that accept MasterCard or VISA cards. This includes doctor's offices, hospitals, clinics and many other providers. The card may also be used on billing statements received from providers of the same types of service. Simply fill in the credit card area on the bill providing your WEX Health debit card number. If insurance coverage is available, make sure that the insurance company has processed the claim prior to the time you make your payment. This will ensure that any insurance discount and payment have been made so you are only paying your portion of the expense.</p> <p>Certain retail stores, like CVS or Rite Aid, may also be able to accept your debit card if they have installed an Inventory Information Approval System, referred to as IIAS. IIAS systems have the ability to separate eligible from ineligible expenses at the point of sale, which means the expense is auto-substantiated at the point of service. If the expense is auto-substantiated at the point of service, you will not have to provide additional documentation after the purchase.</p> <p>You can locate a list of IIAS Merchants via a link at www.iw25fringe.org. Pharmacies may be IIAS Merchants or 90% Rule Merchants. As IIAS Merchants, they auto-substantiate as explained above. If they are registered as a 90% Rule Merchant, the separation of eligible from ineligible expenses does not occur and you can generally expect to receive a request for additional documentation to substantiate the purchase. A list of 90% Rule Merchants can be found at www.iw25fringe.org.</p>
<p><i>If asked, should participants select "Debit" or "Credit" at checkout?</i></p>	<p>You should select "Credit." You do not need a PIN and cannot get cash with the Card.</p>
<p><i>How will the Card work in participating stores and supermarkets?</i></p>	<ol style="list-style-type: none"> 1. Bring all of your eligible health care purchases to the register at checkout. 2. Present the Benefit Card and swipe it for payment. 3. If the transaction is approved, the amount of eligible purchases is deducted from your HRA account. Then use another form of payment for the purchases that cannot be reimbursed through your HRA. 4. The receipt will identify the HRA-eligible items and may also show a subtotal of the HRA-eligible purchases. 5. In most cases, the Benefit Office will not request receipts for HRA-eligible purchases made in participating pharmacies or supermarkets.
<p><i>Can I use my Card if I receive a statement with a patient due balance for a medical service?</i></p>	<p>Yes, if all of the following are true: (1) You and your covered dependents were eligible for insurance on the date you or your dependent received the services; (2) the dates of service were after February 1, 2023; (3) you have a sufficient balance in your HRA account to cover the cost; and (4) the provider accepts MasterCard®. You can write the card number on your statement and send it back to the merchant and/or provider. The card will not work if you are trying to use it with a Collection Agency unless they are an IIAS certified provider, even if the card does work with the Collection Agency, you will be requested to submit an itemized billing to prove the charges are an eligible expense. Before providing your Benefit Card number, be sure that the merchant or provider has submitted the charges to your medical carrier, and the carrier has processed and paid its portion of the claim. The amount remaining on the claim will be charged to the Benefit Card.</p>



Commonly Asked Questions Regarding Your New Health Benefit Reimbursement Debit Card

<i>How can I find out the balance on my card?</i>	<p>You may find the balance on your card by:</p> <ol style="list-style-type: none"> 1. Logging on the Iron Workers Local 25 Participant Website at: www.iw25fringe.org 2. Creating an account on the WEX Health Participant Portal at: my.wexhealthcard.com 3. Calling the Benefit Office at 800-572-8553
<i>What happens if I swipe the card for an amount greater than what is available in my account?</i>	Your card works just like your personal debit card. If there is not enough money in the account, it will decline at the point of sale for insufficient funds.
<i>What are some reasons that the Benefit Card might not work at point of sale?</i>	<p>The most common reasons why a card may be declined at the point of sale are:</p> <ol style="list-style-type: none"> 1. The Benefit Card has not been activated. 2. You are not eligible for coverage from the Iron Workers Health Fund of Eastern MI. 3. The Benefit Card is being used less than 24 hours after activation. 4. You have insufficient funds in your HRA account to cover the expense. 5. Ineligible expenses were included at the point-of-sale. (Retry the transaction only with the eligible expense). 6. The merchant is encountering problems (e.g. coding or swipe box issues). 7. The merchant cannot identify HRA-eligible items at checkout.
<i>What should I do if the store or provider doesn't accept VISA or MasterCard?</i>	In the event that a provider or retailer does not accept VISA or MasterCards, you will need to arrange for a different payment method and submit the expense as a manual paper claim. Your claim must be submitted with a completed claim form and an itemized bill from your provider or retailer. To obtain a claim form, please visit iw25fringe.org or call the Benefit Office at 800-572-8553.
<i>What should I do if my card is lost or stolen?</i>	To report your card lost or stolen, please contact the Benefit Office at 800-572-8553 or via email at Local25BennyCard@benesys.com .
<i>When does the debit card expire?</i>	Just like a debit or credit card, there will be an expiration date printed directly on the card. This date is typically 5 years from the date you receive it. A new card will automatically be issued to you 15 days before your card is set to expire.
<u>SUBSTANTIATION</u>	
<i>Will I have to submit documentation?</i>	<p>IRS regulations have always required that expenses paid out of an HRA be substantiated to verify that they are eligible. This regulation has not changed with the addition of debit card technology. While BeneSys takes advantage of every method of auto-substantiation allowed by the IRS there are certain expenses that are difficult to auto-substantiate given the technology available. Therefore, when using your card, you should always retain an itemized receipt in case further substantiation is required. Failure to substantiate expenses may result in tax consequences (discussed below). <i>Be assured, BeneSys is utilizing every method possible to reduce the number of requests you receive.</i></p>



Commonly Asked Questions Regarding Your New Health Benefit Reimbursement Debit Card

<i>What is considered valid documentation?</i>	The regulations require that an itemized bill or statement showing the date of service/purchase, the services rendered/item purchased and the cost.
<i>How will I know that my card transaction requires additional documentation for substantiation?</i>	<p>The IRS requires that the Fund substantiate all of the reimbursements from your HRA. Otherwise, the reimbursements from your HRA will be treated as income to you and you could end up receiving a 1099. Substantiation letters are sent in order to avoid this potential problem. Some reimbursements can be substantiated without needing anything from you. For example, a reimbursement that is equal to 1 to 5 times a copayment amount is considered by the IRS to be automatically substantiated. Other expenses that you use the Benefit Card for, however, may require more information from you.</p> <p>If you have a claim that requires additional substantiation, you will receive two (2) substantiation letters from the Benefits Office requesting a copy of a receipt for a Benefit Card purchase if the purchase does not match the date of service or charged amount for health care claim (medical, dental, vision, or pharmacy) that was made by you or a member of your family.</p>
<i>Where do I send valid documentation to substantiate my card transactions?</i>	<p>You may submit your substantiation documentation a few different ways:</p> <ol style="list-style-type: none">1. Email – Local25HRAClaims@benesys.com2. Mail – Substantiation Department, P.O. Box 99416, Troy, MI 480993. Fax – 248-731-55964. Participant Website – iw25fringe.org. Note – you must be logged into the website using your username and password in order to submit documentation5. Visit the Benefit Office – 700 Tower Drive, Suite 300, Troy, MI 48098
<i>What happens if I do not submit substantiation when it is requested?</i>	Per the IRS guidelines, if substantiation is not submitted, the debit card transaction is considered an improper payment from the account. The debit card will be suspended from further use until the substantiation has been received (indicating the expense is an eligible one) or the amount of an ineligible expense has been paid back into your account (which then can be used for future eligible expenses). After the matter has been resolved, the debit card use will be reactivated. If not resolved, you will receive a 1099 tax form equal to the amount that requires substantiation.
<i>How long should I keep my supporting documents?</i>	Since the reimbursements you receive under the plan(s) are tax-free you should keep all of your supporting documents with your tax return filed for that applicable tax year. You should keep all tax records until the period of limitations for that tax year ends. For more information on how long you should keep your records, please visit the IRS website at www.irs.gov .
<i>What if I lose my receipts?</i>	<p>Usually, the merchant or provider can recreate an account history and provide a replacement receipt.</p> <p>In the event that a receipt cannot be located, recreated, or if the expense is ineligible, you will be required to send a check or money order to the Benefits Office for the amount so it can be credited back to your HRA account.</p>



Commonly Asked Questions Regarding Your New Health Benefit Reimbursement Debit Card

<p><i>What If I fail to submit documentation to substantiate my reimbursement claim?</i></p>	<p>If you do not respond to either substantiation letter, and you do not submit receipts to verify the charge on your Benefit Card, then your card may be temporarily suspended. If not resolved, you will receive a 1099 tax form equal to the amount that requires substantiation.</p> <p>The Benefit Office will advise you if your card has been suspended or if a receipt is not received. Submitting a receipt or repaying the amount in question will activate the card again.</p>
<p style="text-align: center;"><u>OTHER IMPORTANT INFORMATION</u></p>	
<p><i>How long do I have to submit a claim for reimbursement?</i></p>	<p>You have 12 months from the date the expense was incurred to submit reimbursement requests.</p>
<p><i>Is there a minimum amount for reimbursement requests?</i></p>	<p>Yes. If submitting a paper reimbursement request the minimum amount must total \$25.00.</p>
<p><i>Can my HRA account balance be forfeited?</i></p>	<p>Yes. If you are ineligible for coverage for at least 36 consecutive months, your HRA account will be forfeited.</p> <p>If you retire, you can use your HRA as long as you continue coverage with the Iron Workers Health Fund of Eastern MI.</p> <p>Upon the death of a Participant, any balance in his/her HRA will transfer to his/her Surviving Spouse, provided such individual otherwise qualifies for Surviving Spouse coverage. Upon the death of the Surviving Spouse, his/her HRA will terminate.</p>
<p><i>Can the HRA be terminated?</i></p>	<p>Yes. Like any other benefits provided by the Health Fund, the Fund may terminate the HRA at any time for any reason. Participants have no vested interest in the HRA. At all times, amounts in the HRA are the property of the Iron Workers Health Fund of Eastern MI.</p>



Iron Workers' Health Fund of Eastern Michigan

P.O. BOX 99219

TROY, MICHIGAN 48099-9219

(248) 347-3100 or Toll Free (800) 572-8553

Fax: 248-731-5596 Email: Local25HRAClaims@benesys.com

Health Reimbursement (HRA) Claim Form

Instructions: To receive benefits from your HRA account, you must complete **ONE FORM per patient**, along with the following information:

Reimbursement for:

Medical Co-payments

Dental and Vision Services

Prescription Payment or Co-Payment

Information Required:

Copy of your Explanation of Benefits Form (EOB).

Balance due statements are not acceptable.

A copy of a detailed invoice listing the services rendered and the charge for each.
Orthodontic services will be paid for after services are rendered.

A copy of the drug label stub or a printout from your pharmacy.
Cash register receipts are not acceptable.

PLEASE NOTE:

-Expenses must be incurred on or after February 1, 2023.

-The minimum amount that can be reimbursed is \$25.00 per submission.

- The deadline to submit reimbursement requests for unreimbursed medical expenses is 12 months from the date the expense was incurred.

You MUST allow up to 30 business days for reimbursement.

Member's Name: _____ Member's SS# _____
or Alternate ID: _____

Address: _____

Phone Number: (Home) _____ (Work) _____

Patient Name: _____ Relationship: _____

Type of Service (Medical, Dental, Vision, Prescription)	Provider Name	Date of Service	Amount of Claim (Claims must total at least \$25.00)
_____	_____	____/____/____	_____
_____	_____	____/____/____	_____
_____	_____	____/____/____	_____
_____	_____	____/____/____	_____
_____	_____	____/____/____	_____

I hereby authorize payment for the above services for which I am requesting benefits:

By signing this form, I understand that benefits shall be paid in accordance with the terms and conditions of the Ironworkers Health Fund of Eastern MI Plan document (See the reverse side of this form for a brief description of covered benefits).

Member's Signature: _____ Date: _____

(OVER)

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Fax: 248-731-5596 Email: Local25HRAClaims@benesys.com

Health Reimbursement (HRA) Claim Form

What is a HRA?

A Health Reimbursement Account (HRA) is established for each Active Participant. A HRA is an account to be used by the Participant for reimbursement of out-of-pocket eligible medical expenses incurred by the Participant or his/her Dependents.

Eligible Expenses:

The Plan will periodically provide a list of the types of medical expenses that may be reimbursed under the Plan. Medical expenses incurred by the participant under the Plan are eligible for reimbursement from a Participant's HRA if they:

- Were incurred on or after February 1, 2023, provided the Participant was eligible for benefits under the Plan on the date incurred (expenses are incurred when a Participant is provided with medical care/product that gives rise to the expenses, not when he/she is billed for or pays for the medical care/product);
- Qualify as a medical expense under §213 of the Internal Revenue Code; and
- Have not been or will not be otherwise paid by the Plan or have not been reimbursed by or are not reimbursable under any other health plan coverage.

What expenses are not allowed?

Benefits payable under the HRA are subject to IRS rules and regulations regarding the IRS definition of medical expenses, which may be included in medical expense deductions.

The following is a brief list of expenses not payable under the HRA.

They include but are not limited to:

- ◆ Vitamins/ Supplements (whether prescribed by a doctor or not)
- ◆ Over the counter drugs or supplies
 - ◆ Acne Treatments ◆ Cosmetics ◆ Chapstick ◆ Dietary Supplements ◆ Face Cream ◆ Fiber Supplements
 - ◆ Medicated Shampoo/Soaps ◆ Moisturizers ◆ One-A-Day Vitamins ◆ Suntan Lotion ◆ Toiletries
 - ◆ Toothbrush ◆ Toothpaste ◆ Topical Creams

Please return completed claim form with documentation as follows:

Via Mail: IW 25 Health Fund
HRA Department
P.O. Box 99219
Troy, MI 48099-9219

Via Email: Local25HRAClaims@benesys.com

IRON WORKERS' HEALTH FUND OF EASTERN MICHIGAN
HEALTH REIMBURSEMENT ACCOUNT
TERMS AND CONDITIONS

The following provisions regarding the establishment and operation of the Iron Workers' Health Fund of Eastern Michigan's (Fund) Health Reimbursement Account have been added to the Fund's Plan document:

Health Reimbursement Account

A Health Reimbursement Account (HRA) is established for each Active Participant. A HRA is an account to be used the Participant for reimbursement of out-of-pocket health care costs incurred by the Participant or his/her Dependents.

(a) Funding

- (1) Effective for hours worked on or after June 1, 2022, a portion of the hourly Employer Contributions received, as determined by the Trustees in their sole discretion from time to time, will be deposited into an Active Employees' HRA, less the cost of administration, as determined by the Trustees in their sole discretion.
- (2) Amounts in the HRA accumulate over time, i.e., unused amounts may accumulate and be carried over year to year.
- (3) Like all other benefits provided by the Fund, the Fund may terminate the HRA at any time for any reason. Participants have no vested interest in the HRA. At all times, amounts in the HRA are the property of the Fund.

(b) Eligible Expenses

Medical expenses are eligible for reimbursement from a Participant's HRA if they:

- (1) Were incurred on or after February 1, 2023, provided the Participant was eligible for benefits under the Plan on the date incurred (expenses are incurred when a Participant is provided with medical care/product that gives rise to the expenses, not when he/she is billed for or pays for the medical care/product);
- (2) Qualify as a medical expense under §213 of the Internal Revenue Code; and
- (3) Have not been or will not otherwise be paid by the Plan or have not been reimbursed by or are not reimbursable under any other health plan coverage.

(c) Submission of Claims

- (1) Manual Reimbursement Procedure
 - (i) For reimbursement from the MRA, the Participant must submit a completed reimbursement form (available from the Fund Office), and, if applicable, the Explanation of Benefits received from the claims processor, or original receipt and proof of payment to the Fund Office.
 - (ii) The Fund Office processes reimbursement claims weekly. Reimbursement checks will be mailed to the Participant.
 - (iii) Reimbursements will not be allowed if the requested reimbursement amount is more than the Participant's HRA balance. A minimum reimbursement request of \$25 is required.
- (2) In lieu of the above manual reimbursement procedures, a Participant may be issued a special debit card, known as a "Benny Card," for use for eligible HRA expenditures (defined above). This will allow for payment of some, but not all, expenses without the necessity of submitting paper receipts or additional documentation, so all documentation must be retained. In the event requested documentation cannot be provided to substantiate a reimbursement request, a Participant will have to repay the Plan or incur tax consequences.
- (3) The deadline to submit reimbursement requests for unreimbursed medical expenses is 12 months from the date the expense was incurred.

(d) Account Balances Upon Retirement or Death of a Participant

Upon the retirement of a Participant, he/she may continue to use funds in his/her HRA accumulated prior to retirement for qualified medical expenses incurred after retirement.

Upon the death of a Participant, any balance in his/her HRA will transfer to his/her Surviving Spouse, provided such individual otherwise qualifies for Surviving Spouse coverage. Upon the death of a Surviving Spouse, his/her HRA will terminate (i.e., any remaining balance is not available for use by Dependents).

(e) Cancellation of Medical Reimbursement Account

The balance in the HRA will be cancelled and permanently forfeited the earlier of the date: (1) the Participant is terminated under 2.11(c) or 2.11(d); or (2) three years after the latest activity (employer contributions or claims).