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HRA reimbursement guide

This article provides information about common eligible expenses for health reimbursement arrangements (HRAs) as well as reimbursement limits and dates. See [Getting started with a health reimbursement arrangement \(HRA\)](#) for more information.

HRAs are accounts for which the employer provides funding and determines what expenses are eligible. The IRS requires that participants submit documentation to prove the eligibility of their expenses. See [Substantiate health reimbursement arrangement \(HRA\) purchases of eligible expenses](#) for more information.

Depending on the type of HRA your company offers, the plan might reimburse the full cost of an eligible expense or only a percentage of the claim.

Common eligible expenses

- General purpose health: Products and services related to medical plans
 - Office visits, physical exams, copays, etc.
 - Similar to standard 213(d) expenses for medical flexible spending accounts (medical FSAs)
- Coinsurance: Percentage of claims for products and services related to medical, dental, and/or vision plans
- Copayments: Participant copays for products and services related to medical, dental, and/or vision plans
- Deductible: Participant deductibles for products and services related to medical, dental, and/or vision plans
- Prescriptions: Products and services prescribed by a medical professional
Note: Reimbursement requires a copy of the prescription.
- Dental Expenses: Products and services related to dental plans
 - Regular exams, cleanings, fillings, etc.
- Vision Expenses: Products and services related to vision plans
 - Optometrist visits, prescription glasses, contacts, etc.
- Premiums: Premiums for retiree plans

Reimbursement limits

An HRA might have a maximum total amount that can be reimbursed per plan year. If participants reach this limit, they must cover any additional costs out of pocket.

Note: The limit applies to all claims submitted during a plan year and could also be imposed on a per-individual basis.

Scenario	Cause	Resolution
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John has a total reimbursement limit of \$1,000 for the plan year. He submits claims for \$1,200 of eligible expenses incurred during the plan year.	The plan's total reimbursement limit has been exceeded.	John is reimbursed \$1,000, and the additional \$200 is denied.
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Per-individual reimbursement limits

Reimbursement limits can be set for each individual enrolled in the plan. In other words, the participant and any dependents have individual limits for reimbursements.

Scenario	Cause	Resolution
John, his wife, and their two children have a family HRA plan with a per-individual reimbursement limit of \$1,000. John submits claims for \$1,200 of eligible expenses he incurred during the plan year.	John's individual reimbursement limit has been exceeded.	John is reimbursed \$1,000, and the additional \$200 is denied. His wife and children can continue to submit claims, but they can only be reimbursed up to \$1,000 each.

Reimbursement dates

Participants enrolled in an HRA might be eligible for reimbursement of expenses incurred at any time after the original effective date of the HRA, not just during the current plan year.

Note: This applies even if the plan was previously administered by a third-party administrator (TPA) other than Discovery Benefits.

If your company's HRA allows such an extended reimbursement period, specify the date the HRA originally took effect. The original effective date of the HRA may be prior to the start of the current plan year.

Scenario	Resolution
The HRA originally took effect two years ago.	Select the original effective date. If participants submit claims for eligible expenses incurred two years ago, Discovery Benefits will reimburse them with current HRA funds.

Note: To be reimbursed for expenses incurred prior to the current plan year, participants must have been actively enrolled in the HRA on the plan's original effective date.

You can view this article at:

<https://wexbenefitskb.egain.cloud/system/templates/selfservice/dbika/help/agent/locale/en-US/portal/308900000001002/content-version/PROD-3702/PROD-95026/HRA-reimbursement-guide?query=3702>