

## HRA Basics

### Health Reimbursement Arrangement

The VEBA Medical Expense Plan (MEP) is an HRA, a **tax-free account** that **puts you in control** of your family's healthcare spending<sup>1</sup>. It's easy to use, and it's a smart way to pay for medical bills, including retiree insurance premiums. Plus, you never pay any taxes on the money going in or coming out. That's the **best tax advantage** there is—even *better than tax-deferred 457, 403(b), and 401(k) plans!*

- Pay no income or FICA taxes
- Choose your investments
- Get your money fast
- No use-or-lose or carryover limits

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*This plan helped me retire a few years early and pay insurance premiums until Medicare kicks in.*

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HRA Participant

**MORE INFO?** [veba.org](https://veba.org)

**QUESTIONS?** 1-888-828-4953  
[customer@veba.org](mailto:customer@veba.org)

### How It Works

1. When you retire, your employer cashes out your eligible unused sick leave and converts that into a **tax-free contribution** to your HRA<sup>2</sup>.
2. You choose how you want to **invest your HRA funds** using the available fund lineup.
3. Depending on your needs, you can **use your money right away or save it up for later**.
4. If you pass away, your HRA can transfer to your surviving spouse, children, or other survivors. Most other HRA plans can't offer this.

<sup>1</sup>Your HRA covers you, your spouse, and dependents, including your adult children through the end of the calendar year in which they turn age 26.

<sup>2</sup> IRS rules require all eligible employees to participate (no individual elections).

## How It Helps

Will you and your spouse be able to afford retiree medical premiums up to **\$1,000 or more per month** if you retire before age 65? Are you worried about the cost of **prescriptions, doctor visits, and dental and vision care?**

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*I didn't have enough money to purchase my contact lenses and my prescription medication. I was able to use my HRA money. What a relief!*

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HRA Participant

Most participants use their HRAs to reimburse **retiree insurance premiums** and the cost of medical items and services they wouldn't be able to afford otherwise, like **power chairs, hearing aids, medically necessary surgeries, and emergency medical bills.**

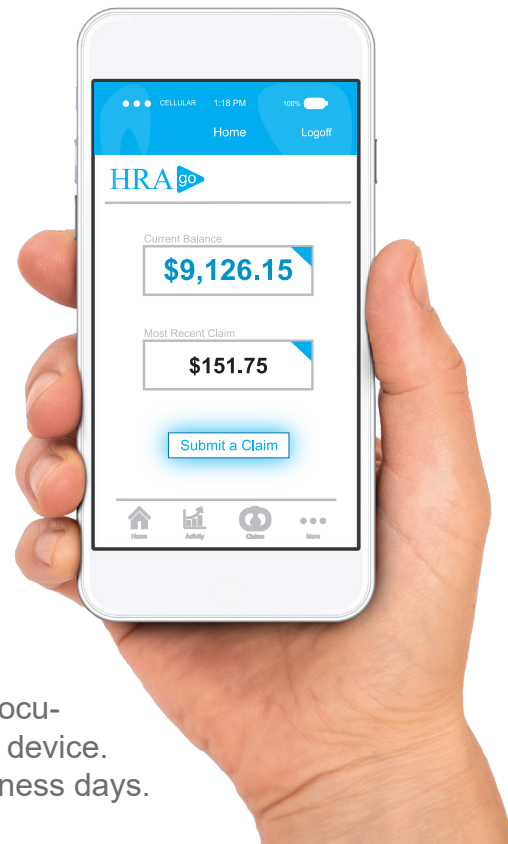
## Using Your HRA

Managing and using your HRA is now easier than ever!

- Fast online and mobile claims
- Handy mobile app (HRAgo®)
- Free debit card (upon request)
- Secure e-statements

**Want to keep it simple?** We can automatically reimburse your monthly insurance premiums, including Medicare premiums. Log in online and click **Claims**. Then, click the **Set up an Automatic Premium Reimbursement** button.

**Ready to file a claim?** Log in online and click **Claims**, or use **HRAgo®** and do it “on the go.” With **HRAgo®**, you can quickly snap pics of supporting documentation and submit claims right from your mobile device. We'll process your claim in about five to seven business days.



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The VEBA MEP Plan is a group health plan. Plan administrative fees are \$1.50 per month, plus an annualized asset-based fee of about 1.25%. The monthly fee is waived if your account balance is more than \$5,000. In addition, a 0.25% asset-based fee discount applies to any portion of your account balance in excess of \$10,000. Please refer to the VEBA MEP Plan Benefits brochure or Plan Summary for more details.