

Premier Cooperative

Section 105 Health Reimbursement Arrangement

Employee Instruction Sheet - \$3,000/\$6,000 Plan

Your employer is offering a Section 105 Health Reimbursement Arrangement (HRA) to help provide better health care coverage to employees and their families. HRAs are implemented by many employers to help manage increasing health care costs and to provide employees with an incentive to be better consumers of health care. They are working with Diversified Benefit Services, Inc. (DBS) to manage and administer the HRA. The program works as follows:

- Your employer implements changes to your Group Health Insurance Plan.
- You and/or your family members utilize your health plan as you normally would. When you use your health plan, the insurance company will process your claim and send an Explanation of Benefits form (EOB) to you. The EOB form shows the date of service, service provided, cost of the service, amount insurance paid on the claim.
- An Explanation of Benefits form (EOB) will *also* be sent electronically from the insurance company to DBS stating the amount of services applied toward eligible expenses.
- As DBS receives the electronic information, the deductible and coinsurance amounts will be paid directly to the vendor/provider based on your employer's HRA reimbursement plan parameters.
- If you provide your email address to DBS, all notifications including claims received, reimbursements issued and requests for additional information will be sent to you via email.
- There are no claim forms to file for the HRA. (However, if you have dual health coverage, you must submit EOB forms from both insurance carriers manually along with a signed claim form for reimbursement.)

HRA Reimbursement Schedule - \$3,000/\$6,000 Plan

<u>Plan Year:</u>	01/01/2026 - 12/31/2026
<u>Eligible Expenses:</u>	Medical Deductible and Coinsurance Expenses incurred under the Employer Sponsored Group Health Plan
<u>In-network Deductible and Coinsurance Level:</u>	\$750 Single /\$1,000 EE+ Spouse/\$1,000 EE + Child(ren)/ \$1,250 Family
<u>Single Reimbursement Levels for the Plan Year:</u>	
First \$750 of in-network eligible expenses:	Paid to the Provider
<u>EE + Spouse Reimbursement Levels for the Plan Year:</u>	
First \$1,000 of in-network eligible expenses:	Paid to the Provider
<u>EE + Child(ren) Reimbursement Levels for the Plan Year:</u>	
First \$1,000 of in-network eligible expenses:	Paid to the Provider
<u>Family Reimbursement Levels for the Plan Year:</u>	
First \$1,250 of in-network eligible expenses:	Paid to the Provider

The HRA reimbursement is based on the Employer's in-network Group Health Plan. If you incur out-of-network expenses, the reimbursement is capped at the in-network reimbursement level.

Rollover: Employees may rollover 100% of unused dollars from year to year. There is an accumulation maximum for the amount you can accumulate in your HRA; Single \$5,000, EE + Spouse \$10,000, EE+ Child(ren), Family \$10,000



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Additional Information:

- You are responsible for paying the doctor and/or hospital bills. You will be reimbursed after health information has been electronically submitted.
- You must be an active employee on the Employer's Group Health Plan or on COBRA (under your current Employer's Group Health Plan) to receive a reimbursement.
- Any portion of the expense reimbursed by the HRA **IS NOT** eligible for reimbursement under any other program or by any other source. This includes, but is not limited to, Insurance Plans and Flexible Spending Accounts. Any portion of an expense reimbursed by the HRA **IS NOT** eligible as a deduction on your income taxes.
- Reimbursements are tax-free to you.
- If another source reimburses you and/or a provider (i.e. doctor, hospital, and clinic) for an expense that the HRA also reimburses you for, you are responsible for paying back the HRA Plan.
- At the end of each Plan Year there will be a 90-day run-out period in which your claims with dates of service within the plan year will be electronically submitted.
- You have the right to waive participation in the HRA program for you and your family. You must waive participation each Plan Year and the waiver must be completed prior to the Plan Year beginning. Please see your Human Resource department for a waiver form.
- Your employer assumes the cost for the Plan's administration.
- Your employer reserves the right to cancel or modify this program at any time.
- This Employee Instruction Sheet is intended only as an overview of the HRA benefits. The HRA plan qualifications and limitations are stated in the Plan Document. The Plan Document determines how the HRA plan benefits will be administered.

**If you have questions on the program, please call DBS at 1-800-234-1229.
DBSbenefits.com**

