

# Greece Teachers Association

**To:** GTA Membership  
**From:** GTA Executive Council and the Department of Human Resources  
**Re:** Health Reimbursement Account  
**Date:** June 7, 2007

Since recent recommendations from Excellus Benefit Solutions (EBS - the Plan Administrator) indicate that the current application of our Fringe Benefit Pool of \$800.00 may not be compliant with IRS regulations; the District and Association have been discussing the creation of a Health Reimbursement Account (HRA). With the settlement agreement from our Special Education arbitration resulting in an increase of the Fringe Benefit Pool to \$800.00 and, for the first time, any unexpended funds roll over each year rather than revert back to the District at the end of the year; the amount of your individual account can grow significantly.

By having EBS administer the HRA, you will have 24 hour access to your personal account and an optional automatic claims transfer which links your doctor visit co-pays to your EBS account. If you select to participate in the ACT, a reimbursement check will be mailed to you automatically. Other reimbursements for eligible non-reimbursed medical expenses such as lab fees, glasses, eye exam, over the counter drugs, chiropractic care and significantly more, may be completed on-line, or by submitting the appropriate form. This will be explained at the upcoming meetings. Unlike our Flexible Spending Account, all administrative fees will be paid by the District.

The impact of this change is that the items previously paid through the Fringe Pool, (medical, dental, long term disability, and life insurance) will be deducted from our pay. The HRA money will be available for any non-reimbursed medical expenses. Any existing balance this year will be forwarded to the EBS account. (Please see the two attached examples showing the minimal impact on our pay-checks.)

We have arranged for the EBS Representatives to be at the Athena Performing Arts Center on two days: June 11 and June 14 at 2:30, 3:15 and 4:00 each day to allow for people to attend any of the six sessions. If more information is required then we will make arrangements for additional sessions.

The implementation of this new plan will start on July 1, 2007. A transition period to establish the accounts with EBS is necessary. Therefore, after June 20<sup>th</sup> receipts should not be sent to the District. You may either send the receipts to EBS, with reimbursement to occur after the implementation date, or hold the receipts and send them to EBS on or after July 1, 2007.

The Association and District encourage you to attend one of the six sessions to hear about this change and the way our benefits will be administered.

**Scenario #1** – Premiums (up to \$800.00) coming out of fringe (21 pay periods)

**Scenario #2** – All premiums coming out of pay (21 pay periods)

		<u><b>Scenario #1</b></u>	<u><b>Scenario #2</b></u>
Salary:	<b>\$61,000.00</b> (Married claiming 2)	\$2,124.69	\$2,097.82
Deductions:	Family Dental Family Medical 2x Life Insurance LTD Class II		
Salary:	<b>\$40,000.00</b> (Single Claiming 1)	\$1,345.55	\$1,331.97
Deductions:	Single Dental Single Medical 2x Life Insurance LTD Class II		