

# Health Reimbursement Arrangements (HRAs)



## Overview

Employers can offer Health Reimbursement Arrangements (HRAs) to their employees. An HRA is an employee health benefit that reimburses employees and their families for health care expenses up to a certain dollar amount. There are new federal rules that allow individuals to use employer funds from an HRA to purchase their health insurance plan on their own and new questions will appear on the HIX application regarding HRAs. These types of HRAs are known as Individual Coverage HRAs (ICHRAs) and Qualified Small Employer HRAs (QSEHRAs).

### Things to Note:

- Employees who are offered either type of HRA will receive a notice from their employer
- The employer notice will include important information about the individual's type of HRA, the benefit amount, and the dates that the HRA is active
- Employees will be eligible for a Special Enrollment Period (SEP) and will need to call the Health Connector to open an **SEP**
- An individual's eligibility for APTCs may be impacted by an ICHRA or a QSEHRA depending on whether the HRA is considered affordable or not according to a federal formula
- The Health Connector's application collects information about employer offered HRAs and uses this information to determine APTC eligibility
- The Health Connector has a dedicated webpage for these HRAs, which is located [here](#)

| If   | Then   |
|--|--|
| A consumer mentions access to an HRA or Health Reimbursement Arrangement | Ask if they have received a notice from their employer.<br><br>If they have not, <u>they need to speak with their employer.</u>  |
| They have received a notice from their employer                          | Tell them to have their employer notice available when they apply for coverage through the Health Connector. The Health Connector's application will ask questions about the type of HRA they are offered from their employer. This information can be found in their HRA employer notice.                     |
| The employer offers an <b>Individual Coverage HRA (ICHRA)</b>            | The employee has the option of taking the HRA or not.<br><br>1) <u>If the applicant's health insurance would still be <b>unaffordable</b> with the HRA contribution from their employer and they are opting out of the employer's HRA, they may be able to receive APTCs and/or ConnectorCare if eligible.</u> |

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|   | <p>Affordability of the HRA is based on a federal formula that the Health Connector's system will automatically calculate with the information provided by the applicant.</p> <p>2) If the application deems that the <u>HRA offered to the applicant makes their coverage <b>affordable</b></u>, then they would not be eligible for APTCs and would be informed on the application. This is true for affordable individual coverage HRAs (ICHRA) whether the applicant chooses to accept the HRA or chooses to opt out of the HRA.</p> |
| The employer offers a <b>Qualified Small Employer HRA (QSEHRA)</b>                                      | <p>The employee <b><u>does not</u></b> have the option of forgoing the HRA.</p> <p>They will need to take the HRA contribution. Depending on whether the QSEHRA is determined to be affordable or not, the applicant may be eligible for some amount of APTCs. If the QSEHRA is unaffordable, APTCs may be adjusted based on their QSEHRA benefit amount. If their QSEHRA is affordable, the applicant won't be eligible for APTCs.</p>  |
| The employee decides to apply for health insurance coverage through the Health Connector and has an HRA | <p>Help them apply, shop and enroll in a plan, educating, if needed, on how to enter HRA information into the application or navigate to the tool tips throughout the HRA section of the application.</p> <p><b>Employees who shop outside of OE are eligible for a 60-Day SEP from the date they received their HRA. They may need to have an SEP opened for them.</b></p> <p><b>Note:</b> Remind the applicant of their 60-day SEP deadline.</p>   |

## HRA Application Questions

The first step is to see if the HRA questions are applicable to the applicant. They will need to have the notice from their employer with them to answer these questions. On the notice it should reference either the Individual Coverage HRA (ICHRA) or the Qualified Small Employer HRA (QSEHRA). If so, then they should proceed with indicating that they are offered an HRA and select or add the employer offering the HRA.

A current member can add the HRA through the report a change (RAC) options under "update income, additional questions about health insurance and health reimbursement arrangements."

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☐ Add someone to your application or tell us if someone is now applying for coverage ⓘ

☐ Remove someone from your application or tell us if someone is no longer applying for coverage ⓘ

☐ Update income, additional questions about health insurance and health reimbursement arrangements ⓘ

☐ Change a status ⓘ

☐ Change home address, name, sex or add SSN ⓘ

☐ Change application type ⓘ

☐ Change information about past tax credits ⓘ

Update this information if you now make more or less money than when you applied, or if you have a new income source, or if you need to make a change to the information about the insurance offered by your employer, other insurance coverage (such as Medicare, TRICARE, Peace Corps, or VA Healthcare Program), or MassHealth-specific questions, or Health Reimbursement Arrangements.

When you get to the Additional Questions landing page more language has been added around HRAs:

## Additional Questions

Please answer a few more questions about you and your family. We'll need to know if you have access to health insurance through any other sources. This could include coverage available through an employer, or a public program, such as Medicare or through Veteran's Affairs (VA).

If your employer offers health insurance or a Health Reimbursement Arrangement (HRA), you will need to know the following details:

- For employer health coverage, how much the health insurance premium would cost for an individual plan and whether the health insurance coverage they offer meets [minimum value standards](#)
- For HRAs, the type of HRA and how much money an employer will contribute towards it
- The dates when your access to a health insurance plan or HRA will start and end

Please ask your employer these questions before you answer them on the application if you're not sure about the answers.

All fields on this Additional Questions section are required unless otherwise indicated.

[Find places to get help](#)

You may need:

- ▶ Information about any current health insurance or HRA that you or a family member might have
- ▶ Information about the health insurance or HRA you or a family member may be eligible for, even if you are not enrolled in it
- ▶ A letter from your employer that has details about your HRA or employer coverage, if you have one

The first question asks if their employer offers an HRA. If so, you will need to select or enter in the employer who is offering the HRA and click Save and Continue.

# Health Reimbursement Arrangements (HRAs)



## Health Reimbursement Arrangement Information for Harry Potter

When you see a star (\*), you must complete the field.  
When you see an ⓘ, roll over it with mouse or select it by pressing tab with keyboard to get definitions and learn more.

[Learn more about Health Reimbursement Arrangements](#)

Are you offered Health Reimbursement Arrangements (HRAs) from your employers? \* ⓘ

☒ Yes ☐ No

Please select the employer who offers HRA

Employer Name \*

Please Select

Please Select

Ministry of Magic

Other

Save and Continue

Next, the application will ask for information about the specific type of HRA: Individual coverage HRA (ICHRA) or Qualified Small Employer HRA (QSEHRA). Applicants will also need to enter information about the HRA's active period and the HRA's yearly self-only coverage permitted benefit amount. This information is located in the notice the applicant received from their employer about the HRA.

If an applicant selects QSEHRA, they will need to indicate whether they intend to use the family level permitted benefit from their employer. If they select yes, they will then be asked to enter the amount of the family benefit (which can be found in the HRA notice from their employer).

This information is needed because if an applicant's QSEHRA is deemed unaffordable, they may be eligible for an adjusted amount of APTCs. This adjusted APTC amount will be calculated using information about which HRA benefit amount the applicant plans to use (family benefit or self-only benefit from employer).

# Health Reimbursement Arrangements (HRAs)



Please select the type of HRA offered by your employer. \*

☒ Qualified Small Employer Health Reimbursement Arrangement

☐ Individual Coverage Health Reimbursement Arrangement

Please enter the active period for your QSEHRA benefit. \*

From ⓘ To ⓘ

Select ▼ Select ▼ Select ▼ Select ▼

Enter the maximum yearly self-only coverage permitted benefit through the QSEHRA: \* ⓘ

\$ \_\_\_\_\_

Do you intend to use family coverage permitted benefits from your employer? \* ⓘ

☐ Yes ☐ No

[Add Another HRA Info](#)

[Save and Continue](#)

# Health Reimbursement Arrangements (HRAs)



Depending on which HRA type the applicant chooses (ICHRA or QSEHRA), the additional questions (after questions about active period and self-only benefit amount) will differ. If an applicant selects ICHRA, they will also need to indicate whether they intend to accept their ICHRA benefit from their employer. (There is no opt out option for QSEHRAs, so this question will not appear for applicants selecting QSEHRA as their HRA type).

Please select the type of HRA offered by your employer. \*

☐ Qualified Small Employer Health Reimbursement Arrangement

☒ Individual Coverage Health Reimbursement Arrangement

Please enter the active period for your ICHRA benefit. \*

From ⓘ  To ⓘ

Enter the maximum yearly self-only coverage permitted benefit through the ICHRA: \* ⓘ

\$

Do you intend to accept ICHRA benefit from your employer? \* ⓘ

☐ Yes ☐ No

For every member of the household, the applicant will be asked if they are enrolled and or have access to health insurance. These questions appear a little differently than in the past.

## Health Insurance Information for Albus Potter

When you see a star (\*), you must complete the field.  
When you see an ⓘ, roll over it with mouse or select it by pressing tab with keyboard to get definitions and learn more.

[Find out more about insurance from a job and other coverage types](#)

Is Albus Potter enrolled in health insurance? ⓘ

☒ Yes ☐ No

☐ Employer-sponsored Insurance (Insurance offered through a job)

☐ Medicare

☐ MassHealth

☐ Peace Corps Health Benefits

☐ TRICARE Federal Employees Health Benefit Program

☐ Veterans Affairs (VA) Health Program

☐ Other

Answer "Yes" even if the insurance is from another person's job, like a spouse or parent, even if the person does not live in the household.



# Health Reimbursement Arrangements (HRAs)



Here is the question if they are “offered” health insurance.

Is Albus Potter offered any health insurance? ⓘ

☒ Yes ☐ No

☐ Employer-sponsored Insurance (Insurance offered through a job)

☐ Medicare

Answer "Yes" even if the insurance is from another person's job, like a spouse or parent, even if the person does not live in the household.

Save and Continue

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An additional line has been added in the Application Summary regarding HRAs:

## Additional Questions Summary

Harry Potter (Head of Household)

Has Minimum Essential Coverage (MEC): No

Has Option to Enroll in Employer Health Coverage: No

Has Affordable Employer Sponsored Insurance(ESI): No

Has Health Reimbursement Arrangement (QSEHRA/ICHRA): Yes