

Plan Year 2024 and 2025 (June 1, 2023 – June 30, 2025) One-Time Health Reimbursement Arrangement (HRA) Funding for State Active Employees FAQs

If you were a State active employee during Plan Year 2024 and 2025 you may have one-time HRA contributions in your HSA Bank account. For Plan Year 2026 (PY26, July 1, 2025 – June 30, 2026) there are no additional one-time employer contributions for State active employees. Only the Consumer Driven Health Plan (CDHP) will receive an employer contribution for PY26.

If you're enrolled in the CDHP, Low Deductible (LD) Plan, Exclusive Provider Organization (EPO) Plan or Health Plan of Nevada (HPN) with an HRA and want to switch to the CDHP with a Health Savings Account (HSA) during open enrollment for the upcoming plan year, any remaining funds in your HRA revert to PEBP. When you enroll in the CDHP with an HSA your account starts fresh with only HSA funds.

| Plan Year 2026 HSA/HRA Annual Employer Contribution | Consumer Driven Health Plan (PPO) HSA/HRA Account | Low Deductible Plan (PPO) | Exclusive Provider Organization (EPO) | Health Plan of Nevada (HMO) |
|--|---|------------------------------|--|--------------------------------|
| Base Employer Contribution for Participant | \$700 | N/A | N/A | N/A |
| Employer Contribution for Dependents | \$200 up to three dependents | N/A | N/A | N/A |
| Total Employer Contribution Amount | Up to \$1,300 | N/A | N/A | N/A |
| Prorated supplemental contributions for all employer contributions apply after July 1, 2025. | | | | |

Use the single sign-on feature in your [E-PEBP portal](#) to log into your HSA Bank account.

Visit the [HSA Bank Employee Resource Center](#) for resources including detailed instructions on how to claim reimbursement for your HRA and the five receipt must-haves for reimbursement.

Call HSA Bank Customer Service at 1-833-228-9364.



HRA Frequently Asked Questions

Will my one-time contribution funds expire?

The one-time contribution does not have an expiration date. HRA funds roll over from one plan year to the next unless you terminate employment or transition to the Medicare Exchange with Via Benefits.

What happens to the money in my HRA if I leave my job or retire?

Because your HRA is employer-owned, the one-time contribution is only for current employees. Unused



funds stay with your employer if you leave your job or retire. Employees in terminated work status may still access funds for services incurred before leaving State service and while covered under the Plan, but reimbursement requests must be made manually. You are not eligible to use the funds for services incurred after your HRA terminates.

I have an HSA and an HRA. What contributions will be used first?

HRA funds are used before HSA funds are used. So, if you have both accounts, your HRA funds will be depleted before any HSA funds will be used.

When can an employee use the funds in the HRA?

The HRA funds may be spent on expenses incurred beginning on the date the HRA account is established. Incurred claims must be submitted within 365-days measured from the date of a claim.

Can I use the HRA for reimbursements for my spouse and dependents?

Reimbursements under an HRA can be made to the following individuals:

1. Employees,
2. Spouses and dependents of those employees,
3. Any person you could have claimed as a dependent on your return except that:
 - a. The person filed a joint return.
 - b. The person had a gross income of \$4,400 or more; or
 - c. You, or your spouse if filing jointly, could be claimed as dependent on someone else's tax return.
 - d. Your child under age 27 at the end of the tax year.
 - e. Spouses and dependents of deceased employees.

Note: A child of parents that is divorced, separated, or living apart for the last 6 months of the calendar year is treated as the dependent of both parents whether the custodial parent releases the claim to the child's exemption. See [IRS Publication 969](#).

What can I use my one-time contribution to pay for? What are considered eligible expenses under my HRA?

With an integrated HRA, you may pay for any eligible expense not fully paid for in your group health insurance policy, such as deductibles, coinsurance, prescriptions, dental and vision care, and other items listed in the [IRS Publication 502](#). Expenses can only be incurred by you, your spouse, and eligible dependents.

You can use your HSA Bank card to pay for IRS-qualified medical expenses eligible under your State of Nevada Public Employees' Benefits Program (PEBP) plan. Remember to save your receipts so that HSA Bank can validate or substantiate the eligibility of the expense.

How to pay for IRS-qualified medical expenses with your HRA:

1. **HSA Bank Health Benefits Debit Card** – You will get your HSA Bank Visa® Health Benefits Debit Card that you may use at point of sale or after you get a medical bill from your provider. Transaction amounts automatically deduct from your account balance.
2. **Direct pay to provider** – Submit your claim to HSA Bank and include your provider's billing address. Once the claim is validated and substantiated, a check is sent to your provider to the address you specified on the claim.

Can I have an HRA if I have Medicare, Medicaid, or Tricare?

Yes, coverage under these plans does not impact your ability to have an HRA.

When can an employee use the funds in the HRA?

The HRA funds may be spent on expenses incurred beginning on the date the HRA account is established. Incurred claims must be submitted within 365-days measured from the date of a claim.

What happens to the HRA funds if an employee passes away?

HRA funds are non-transferrable, meaning funds in the account cannot be transferred to a beneficiary. The only way to access funds for claims incurred prior to the date of death, is if the employee's spouse or other representative has power of attorney. The deceased employee's power of attorney representative will have 365 days to submit a request for reimbursement measured from the date of employee's death.

Are the HRA dollars transferable to another PEBP-sponsored medical plan?

Yes, the HRA dollars are transferable from one PEBP medical plan to another PEBP plan. There will only be forfeiture of HRA funds if a member terminates employment, elects the Consumer Driven Health Plan with an HSA, or transitions to the Medicare Exchange.

Does HSA Bank offer direct deposit?

Yes, HSA Bank only offers direct deposit. There is no option for a mailed check.

What happens if I swipe my card to pay for an *ineligible* expense?

HSA Bank will reach out to ask for substantiating documentation. If you can't provide it, you will be asked to pay back the account. If neither of those things take place, you will have to pay taxes on any amount used for ineligible expenses. Additionally, you may incur a 20 percent tax penalty.

Do I have to submit reimbursement requests within a specified period?

HRA rules require claims to be submitted for reimbursement within 365 days of the date the expenses incurred.

What happens if I have an expense higher than the HRA balance?

You may only spend or be reimbursed up to the HRA balance. If you submit a claim for more than that, the remaining amount over the balance will stay in a queue and will be reimbursed to you in the event additional funds are contributed to the HRA.

What happens to my HSA balance if I change my health plan from the CDHP with an HSA to the LD Plan or other PEBP health plan? Which account do I use first, my HSA or HRA?

If you have both an HSA, HRA, the HSA Bank will send you a "stacked" card. The stacked card allows you to pay for medical-related expenses across any combination of HSA, HRA.

How does the stacked card work?

The stacked card can be used to pay for eligible purchases while a participant can use an alternative method of payment for non-eligible expenses. The stacked card technology can compare pharmacy data, retrospective data matching based on previous payments and claims matching based on previous payments, adjudicated claims, copayment matching and recurring expense logic. Using the copayment matching and recurring expense logic, once a transaction has been substantiated once, transactions for the same amount in the same setting are substantiated once and do not require another review (auto substantiated).

What if a transaction is not auto substantiated?

In the event the transaction is not auto substantiated, the employee (who uses the stacked card with an HRA or FSA) will receive a series of 3 notifications starting 5 days after the transaction. If documentation is not received, the claim is denied, and the employee is sent a letter asking for repayment. The employee can

upload documentation on the HSB Bank member website, via mobile app or fax/mail. Every effort is made to avoid debit card suspension. However, debit card usage will be suspended until the transaction has been satisfied with either documentation or manual claim.

Does HSA Bank charge employees to establish an HRA account?

No. HSA Bank does not charge employees a fee to establish an HRA account.

Where can I find information regarding eligible expenses and tax information?

www.hsabank.com

What if I go out on Family Medical Leave Act ("FMLA")?

If you decline coverage while on FMLA, you have the right to reinstate the HRA upon returning from leave if you enroll in the same medical plan that you were enrolled in prior to taking leave.

Can I have the HRA if I also have a Flexible Spending Account (FSA)?

An HRA can be used in tandem with a general medical flexible spending account (FSA). Typically, qualified expenses are paid from the FSA first to avoid forfeiting funds and then funds from the HRA are used to cover any additional qualifying medical expenses.