

THE 2027

# EASY GUIDE

## TO UNDERSTANDING YOUR HIGH DEDUCTIBLE HEALTH PLAN

WITH HEALTH REIMBURSEMENT ARRANGEMENT

vRad®

# Health reimbursement arrangement (HRA): your health plan partner

When you are a HDHP HRA 4000 member, you get a tax-free health reimbursement arrangement (HRA) from vRad.

This helps you because you pay for 100% of your medical costs (except for preventive care and prescription drugs) until you reach the annual deductible.

You can use the money in your HRA for your deductible or any other eligible healthcare expenses you have throughout the year.

An HRA is an employer-funded account. You cannot contribute to an HRA, but HRA dollars used to pay for eligible healthcare expenses are tax-free.



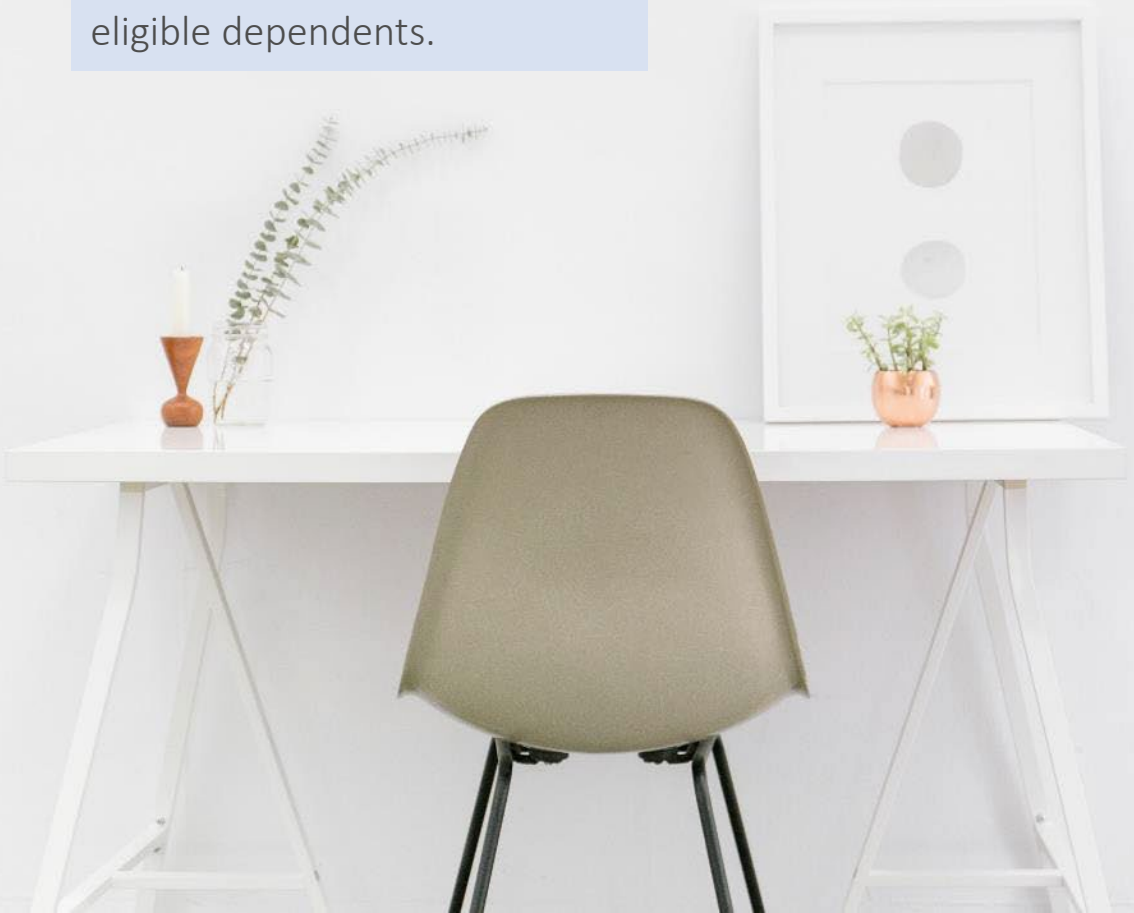
# Plan at a glance

- Affordable premiums
- Comprehensive medical and prescription drug coverage
- Plan maximums limit your financial responsibility
- Freedom to stay in or go out of network
- HRA offsets deductible and other healthcare costs

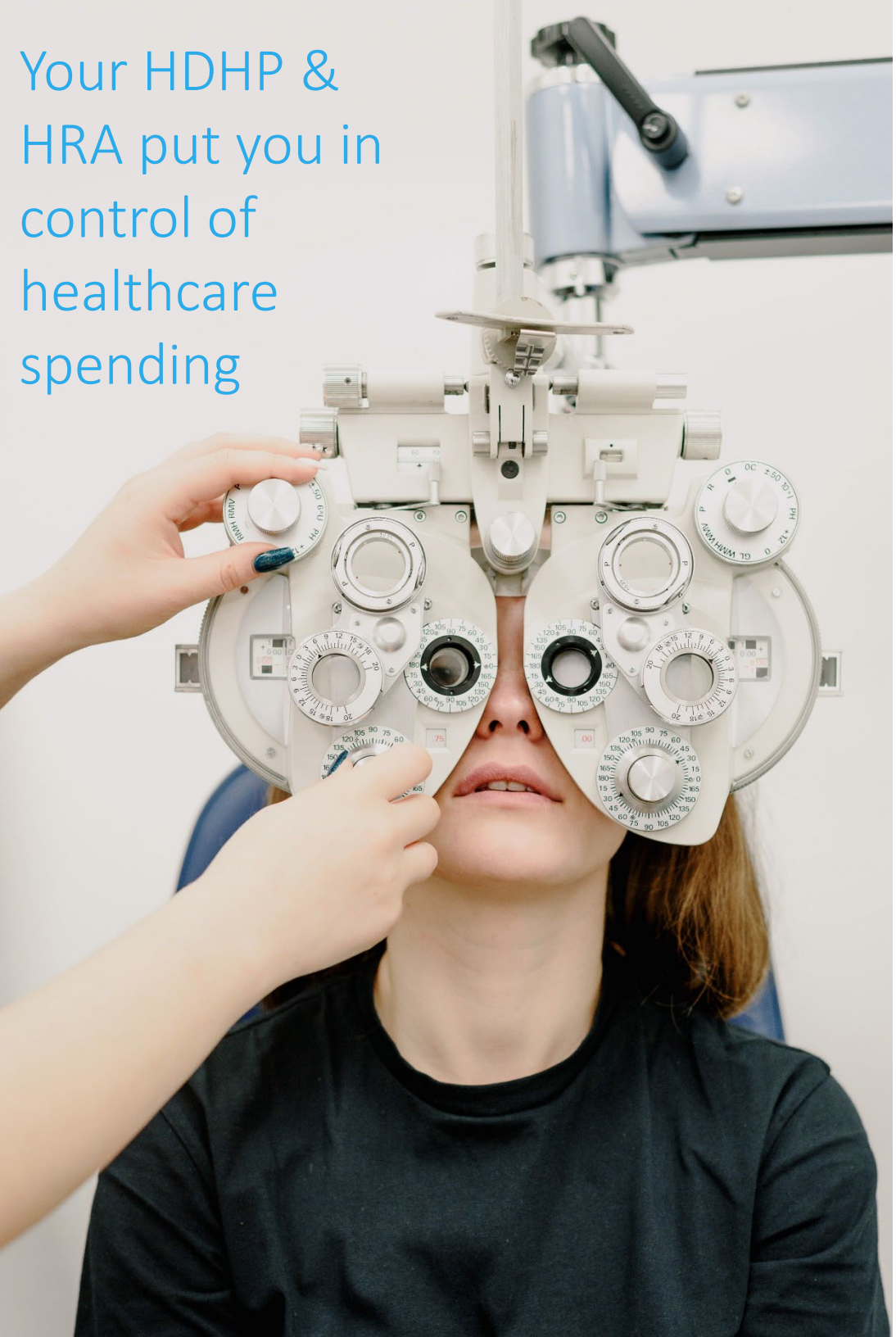
Your HRA is funded entirely by vRad; you don't contribute any money. Your HRA provides even more advantages to you because you don’t pay taxes on the money in your account or on your reimbursed expenses.

You can use your HRA for eligible healthcare expenses for yourself, your spouse and eligible dependents.

Eligible expenses include your health plan deductible, your share of the cost for doctor’s visits, and prescription drug copays. Using your HRA reduces the amount of your own money that you spend on necessary healthcare services.



# Your HDHP & HRA put you in control of healthcare spending



- Preventive care is a no-brainer. Keep up with your annual checkups without worrying about the cost, since preventive care is fully covered in-network.
- Use your HRA for many different health expenses—regular office visits, prescriptions, lab tests, acupuncture, chiropractic adjustments, dental care, glasses, and contacts.
- Your HRA gives you flexibility to visit any doctor, hospital or lab of your choice, even out-of-network providers.
- You can shop around. Healthcare is like any other purchase. It's worth spending some time to shop for the best price and quality.
- Teammates enrolled in an HRA can also contribute to a tax-free flexible spending account (FSA) to use for eligible healthcare expenses.





# HOW MUCH IS AVAILABLE IN YOUR HRA?

## 2027

vRad Contribution: $1,000

- vRad contributes $1,000 to your HRA, regardless of enrollment tier
- If you leave the practice, unused HRA funds are returned to vRad
- HRA contribution is prorated based on date of enrollment
- The full HRA contribution is available upon your first week of enrollment
- HRA funds reset each plan year, and do not rollover from one year to the next

# Plan Highlights: Anthem HDHP HRA 4000

| | |
|---|---|
| Preventive Care | PLAN PAYS 100% (In-network) |
| Before Meeting Deductible* | YOU PAY 100% ($4,000 Teammate Only / $8,000 Family)<br>*Deductible for any one individual enrolled in family coverage is $4,000* |
| After Meeting Deductible | YOU PAY 20% / PLAN PAYS 80% |
| After Meeting Out-of-Pocket Max | PLAN PAYS 100% (After $5,000 Employee Only / $10,000 Family)<br>*OOP Max for any one individual enrolled in family coverage is $5,000* |

## Your Cost

You can save a significant amount on premiums when you enroll in the HDHP HRA 4000 plan compared to our PPO 750 medical plan. We encourage you to compare the premium contribution rates of each plan to see how much you could save by enrolling in an HDHP.

Upon enrolling in the HDHP HRA 4000, you may choose to contribute a portion of your premium savings into a healthcare FSA. This allows you to save money tax-free for qualified healthcare expenses, helping to offset out-of-pocket costs.




* Prescription drugs are not subject to deductible

Can we talk about the **ELEPHANT** in the room?



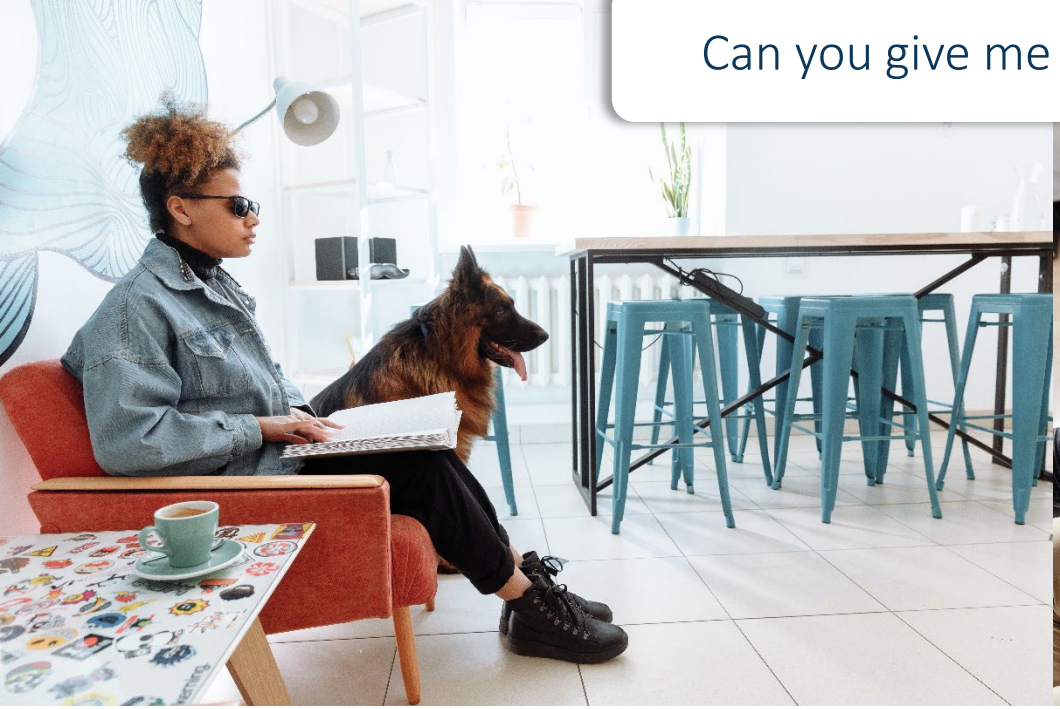
# It all comes back to the HRA

At first, many people have deductible "sticker shock," but many features of the HDHP partially or completely offset your deductible and other healthcare costs:

- You pay less in premiums, allowing you to use the money you save for other things, including contributing to a tax-free healthcare flexible spending account (FSA).
- Prescription drugs are not subject to the plan deductible, meaning that you pay low copays for your prescriptions from day one.
- The HRA dollars you spend on healthcare are tax-free.



Can you give me some examples?





## Candace: Healthy Single Woman

Candace's costs were very low throughout the year. She had her annual checkup (fully covered), and she got an ankle brace after a minor sprain. She did not meet her deductible.

| | | |
|---|---|---|
| | $1,000 | HRA from vRad |
| - | $400 | Spent on urgent care and ankle brace |
| = | $600 | HRA balance remains; resets to $1,000 next year |

## Seth: Family Man

Seth covers his whole family. They visited the doctor often because life happens! Even though his family's expenses were higher, he did not meet his deductible.

| | | |
|---|---|---|
| | $1,000 | HRA from vRad |
| - | $800 | Spent on doctor visits for sniffles, sneezes & fevers |
| = | $200 | HRA balance remains; resets to $1,000 next year |



## Andre: A Little Too Sick at the Skate Park

Andre usually nails a kick flip, but this weekend he wiped out hard. His knee surgery totaled $8,500. He met his deductible and paid some coinsurance. Based on past experience, Andre expected out-of-pocket medical costs this year, so he elected to contribute to the FSA. Here's how his employee-only coverage, HRA and FSA worked together.

### HDHP Plan Benefits

| | | |
|---|---|---|
| | $4,000 | Andre's in-network deductible |
| + | $900 | Andre's additional coinsurance costs |
| = | $4,900 | Andre's total out-of-pocket |
| + | $3,600 | Covered by insurance |
| = | **$8,500** | **Total knee surgery cost** |

### HRA and FSA Usage

| | | |
|---|---|---|
| | $1,000 | HRA deposit from vRad |
| + | $2,500 | Andre's FSA contributions |
| = | $3,500 | Total deposits |
| - | $4,900 | Paid for medical costs (HRA first) |
| | **$1,400** | **Paid in excess of HRA & FSA funds** |

# Common Eligible Expenses

- Acupuncture
- Alcoholism treatment
- Ambulance
- Artificial limb
- Birth control pills
- Blood pressure monitoring device
- Breast pumps and related supplies
- Chiropractic care
- Diagnostic services
- Drug addiction treatment
- Eye examination, eyeglasses, reading glasses, contacts
- Family planning items
- Fertility treatment
- Hearing aids
- Hospital services
- Immunization
- Insulin and diabetic supplies
- Laboratory fees
- Medical testing devices
- Nursing services
- Obstetrical expenses
- Oxygen
- Physical therapy
- Prescription drugs
- Psychiatric care
- Smoking cessation program and medications
- Surgery
- Transportation for medical care
- Wheelchair, walkers, crutches and canes

*Many over-the-counter products are HRA-eligible, including things like allergy medicines and feminine hygiene products. Look for a more comprehensive list on the HRA administrator website.*





# The EASY Guide to Understanding Your High Deductible Health Plan with HRA

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