

Sterling HRA Services

Sterling services help employers with hands-on plan set-up and administration, all delivered with our unique brand of high-touch customer service:

- Employer needs assessment, HRA plan development and enrollment
- Plan document preparation and distribution, including the corporate resolution adopting the HRA, the adoption agreement, and the Summary Plan Description (SPD)
- Participate in employee enrollment meetings to answer questions and help with the process
- Participant HRA set up, including welcome letters and issuance of debit cards

- Nondiscrimination testing mid-year (if requested) and annually to insure compliance
- Healthcare expense claim review and payment of bills direct to providers or as reimbursement to the employee participant, depending upon how the employer sets up the account
- Accounting and reconciliation of employer funds
- Quarterly reporting to employers
- Updates on industry trends and changes from our team of industry experts
- Provider fee negotiation through Medical Cost Advocate for participants
- Medical and wellness advocacy through our partners Medical Cost Advocate and Navimed/Wellness 360

- Money back guarantee of up to one year of monthly fees paid if our clients are dissatisfied with our service
- Personal customer service on the phone and via email Monday – Friday from 8 am – 6 pm (PST)

Call Us Today to Learn More About Our New HRA!

Call or email your Sterling HSA Sales Representative today to talk with us about adding a Health Reimbursement Arrangement to your benefits package. For more information, go to www.sterlinghsa.com or call us at 800-617-4729 or email us at Customer.Service@SterlingHSA.com.



STERLING HSA®

Better Healthcare Benefits
Lower Expenses & Taxes with a Sterling

Health Reimbursement Arrangement



Sterling HSA, a health services administrator with deep experience in the health insurance and banking industries, now offers a Health Reimbursement Arrangement (HRA) for employers. Along with the many benefits of a HRA, we provide a level of high touch customer service and industry expertise that has placed us among the nation's top health savings account administrators since Sterling was founded in 2004.

What is a HRA?

Health Reimbursement Arrangements (HRAs) are defined contribution plans that employers own and control for the benefit of their employees. HRAs are 100% employer funded and represent an employer's commitment to pay for certain healthcare expenses for their employees. If the employer chooses, employees' dependents may also be covered. Employers set the coverage "rules" for HRAs, but they are governed by Section 105(H) of the IRS Code. HRAs are considered group health plans and are subject to COBRA, ERISA, and HIPAA regulations.

Advantages to Employers & Employee Participants

HRAs are a great option for employers and employees because of the tax advantages and benefits in how healthcare expenses can be paid. Employer reimbursements for qualified healthcare expenses are tax-deductible for the employer and tax-exempt for employees in the HRA. For groups of less than 100 employees, there is no IRS reporting requirement. Groups of 100 employees or more are required to complete and file form 5500.

In addition to these benefits, employers choose HRAs because they have broad latitude to establish the rules for contributions and reimbursements. They can change the rules as business conditions dictate. For example, employers can choose:

- How much to reimburse, in what amounts and in what order. They can decide if they or the employee will pay first.
- When to reimburse. Employers can decide to fund monthly, quarterly or annually and in which plan year. They can also set a funding limit so that additional funding isn't allowed until the account balance falls below the limit.
- What to reimburse – just the deductible or a broad range of healthcare expenses defined in Section 213(d) of the IRS code.
- If funds will rollover to the next plan year.
- Who to cover – employees only or employees and their dependents.
- What health plans to combine with a HRA – carrier approved HMOs or traditional and high deductible PPOs.

Regardless of the employer rules, employees enjoy the benefits of reduced out-of-pocket expenses!

Participant Eligibility

With few exceptions, almost all employees can participate in a HRA. Exceptions include partners in a business, members of LLCs, and shareholders who own 2% or more in S-corporations. Employers can cover employees only or employees and their dependents, as well as domestic partners as long as they meet the IRS Section 152 definitions. Employers can also choose to provide HRAs to retirees and former employees.

HRAs cannot discriminate in favor of highly compensated employees. Annual

nondiscrimination testing is required with a HRA to insure that the employer meets participant eligibility requirements. Sterling offers nondiscrimination testing annually and midway through the plan, if employers request, for compliance.

Two HRA Plans from Sterling

- Basic Plan – reimburses for medical expenses only (qualified as medical deductible)
- Comprehensive Plan – reimburses for expenses qualifying under IRS Section 213(d) and includes all qualified medical, dental and vision expenses

BASIC PLAN FEES	ONE TIME SET-UP	MONTHLY*	ANNUAL RENEWAL
Less than 25 employees	\$300	\$5/month/participant	\$150
26-100 employees	\$400	\$5/month/participant	\$200
101-999 employees	\$500	\$5/month/participant	\$250
1000 plus employees	Custom pricing	Custom pricing	Custom pricing
COMPREHENSIVE PLAN FEES	ONE TIME SET-UP	MONTHLY*	ANNUAL RENEWAL
Less than 5 employees	\$450	\$8/month/participant	\$225
6-50 employees	\$750	\$8/month/participant	\$375
51-100 employees	\$1,500	\$8/month/participant	\$750
101-250 employees	\$2,250	\$8/month/participant	\$1,125
Over 251 employees	Custom pricing	Custom pricing	Custom pricing

* There is a minimum monthly fee of \$50. Each participant receives one debit card. Additional cards are available for dependents covered under the HRA plan.

