

## Five Colleges, Incorporated Health Reimbursement Account Information

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Five Colleges, Inc. currently offers health plans that have a deductible of \$2,000 for individuals and \$4,000 for families.

To assist employees and their family members, Five Colleges has implemented a **Health Reimbursement Account (HRA)** to cover the first \$1,000 of deductible costs for those with individual plans and the first \$2,000 of deductible costs for those with two-party and family plans.

An HRA plan is similar to the Healthcare Flexible Savings Account (FSA) that Five Colleges offers. However, an HRA uses *employer*-funded dollars while the FSA uses *employee*-funded dollars. Employees can use the HRA to apply to the first half of deductible costs. Employees can use FSA funds to apply to the rest of the deductible and for those medical costs not included in the deductible. The attached sheet shows how these deductibles work.

In addition, the health plans include a medical and prescription out-of-pocket maximum. These maximums include all deductible dollars and copay dollars, including those paid by employees/dependents and by the Five Colleges HRA.