

Ferrum College Health Reimbursement Arrangement

ADMINISTRATIVE SUMMARY

***** Plan Definition *****

Plan Type: Integrated Health Reimbursement Arrangement (HRA) with High Deductible Health Coverage (HDHC).

HRA Plan Name: Ferrum College Health Reimbursement Arrangement

***** General Information *****

Three Digit Plan Number: 505

Employer Information: Ferrum College

PO Box 1000
215 Ferrum Mountain Road
Ferrum, VA 24088
(540) 365-4287

Tax ID#: 54-0506457

State of Legal Construction: Virginia

Type of Legal Entity: Not for Profit Corporation

Benefits Coordinator: Human Resources

Document Provider: LD&B Benefits Administrators

Legal Representative: Ferrum College

PO Box 1000
215 Ferrum Mountain Road
Ferrum, VA 24088
(540) 365-4287

Plan Administrator: Ferrum College

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Plan Administered by Third Party Administrator: Yes

Employer Representatives/Named Fiduciary: Ferrum College

Plan Dates:

- * Effective Date: January 1, 2018
- * Plan Year Begin: January 1st
- * Plan Year End: December 31st

***** Administrative Provisions *****

Days until forfeiture: 90 days

Ordering Rule/Coordination of Benefits: HRA pays out first and Health FSA pays out last.

Appeal & Review

- * Days until Denial Notice: 30
- * Days to Return Additional Information: 45
- * Days Employee has to Request Review: 180
- * Additional days to Process Claim: 15
- * Days until Review Decision: 60

Compensation Definition: Gross Compensation

Provide COBRA continuation coverage: Yes

Note: COBRA must be offered unless the Employer has 20 or fewer Employees.

- * Day of the Month COBRA payment due: 1st
- * Days to Notify Administrator of other Qualifying Event: 60
- * COBRA coverage is suspended during grace period

Treatment of Rehires:

- * Terminate and Rehire in less than 30 days: If a Participant terminates his or her employment for any reason, including, but not limited to, disability, retirement, layoff, or voluntary resignation, and then is rehired within 30 days or less after the date of termination of employment, and is otherwise eligible to participate in the Plan, the Employee will be treated as a new hire and must re-satisfy (complete the waiting period) Plan eligibility requirements to rejoin the Plan.
- * Terminate and Rehire 30 days or more: Participant will be treated as a new hire and must re-satisfy (complete the waiting period) Plan eligibility requirements to rejoin the Plan. Any unused reimbursement benefits account balance prior to the initial separation of service date will be forfeited.

Plan subject to HIPAA: Yes

- * The HIPAA Effective date is: January 1, 2018
- * HIPAA contact is Ferrum College.

Plan subject to ERISA: Yes

Plan Expenses are paid by the Employer.

Unused Funds will be forfeited.

***** Contribution & Allocation Formula *****

Funding Method: Employer Contributions only

Accruals (Employer Contributions): Accounts will be funded on an annual basis at the beginning of the Plan Year.

Mid-Year Hire Contributions: Participants hired mid-year will receive the full annual contribution (no proration).

Funding Assets: All amounts payable under this Plan shall be paid from the Employer's general assets.

******* Eligibility – Exclusions – Entry Dates *******

Eligibility Requirements: Requirements are same as group medical insurance plan. Enrolled in the Employer's High Deductible Health Coverage (HDHC) Plan.

* Benefits terminate as of the date of termination of Employee.

Exclusions: Members of collective bargaining unit, non-resident aliens, Leased Employees, part time Employees who regularly work less than 20 hours per week, and Temporary Employees.

Entry Date: The same day as the Employer's group medical plan.

Enrollment Process: Will automatically be enrolled in the Plan and no Enrollment form is required, unless the employee opts out and waives future reimbursements from the HRA, at least annually.

******* Benefits Offered *******

Deductible HRA: Reimburses all medical expenses that are applicable to the health plan's deductible. Qualified expenses are those incurred by the employee or the employee's family.

Plan 5 HRA will reimburse:

- For Employee only coverage – up to \$800 of the \$2,000 deductible expense for the Plan 5 PPO Group Health Plan.
- For Employee plus dependent coverage – up to \$1600 of the \$4,000 deductible expense for the Plan 5 PPO Group Health Plan.

Plan 7 HRA will reimburse:

- For Employee only coverage – up to \$1200 of the \$3,000 deductible expense for the Plan 7 PPO Group Health Plan.
- For Employee plus dependent coverage – up to \$2400 of the \$6,000 deductible expense for the Plan 7 PPO Group Health Plan.

Ordering Rule/Coordination of Benefits: If the Participant's Medical Care Expenses are covered by both, this Plan and a Health FSA, then the HRA pays out first and Health FSA pays out last

Maximum Annual Contribution Limit is prorated for mid-year enrollments: No

Maximum Annual Reimbursement Benefit:

	Plan 5	Plan 7
Employee only	800.00	1200.00
Employee plus spouse	1600.00	2400.00
Employee plus children	1600.00	2400.00
Employee plus family	1600.00	2400.00
Employee plus child	1600.00	2400.00

Suspension of HRA Account: If a Participant suspends his or her HRA account for a Plan Year in order to be HSA eligible, the Employer will: cease to make contributions to the HRA account.

Debit Card Availability: Yes