



MASSACHUSETTS

Your Premium Reimbursement Account (PRA)

Your employer is offering you access to a Premium Reimbursement Account (PRA) to help you pay for the health coverage you are purchasing for yourself.

This special account lets you set aside money from your paycheck for health care premiums before taxes are taken out. This gives you a powerful advantage—it effectively lowers the cost of buying coverage because you don't pay federal taxes on the money you deposit in your PRA.

Step 1—Select and enroll in health coverage

The first step toward taking advantage of the PRA is to select a health plan. To help you get started, you'll find our Get Blue brochure, which outlines our most popular coverage options, included with this packet. If you are between 18 and 26 and shopping for coverage only for yourself, take a look at Essential Blue YA, a plan designed with you in mind.

We can help you select the right Blue Cross Blue Shield of Massachusetts plan. Just call us at **1-888-887-8725**. You can also visit us on the Web at **www.GetBlueMA.com**.

Step 2—Set up your account

Once you have a plan picked out, you'll need to fill out the Salary Reduction Agreement in this packet and return it to your employer. This will allow your employer to deduct the amount you elected to have set aside from your paycheck.

Accessing your funds

A claim form is included that you'll use to submit for reimbursements from your PRA. Save this for use during your plan year. If you need more copies, you can obtain forms at **www.avantserve.com**. You can also visit that site to manage your account once it is set up.

Questions?

We can help answer questions about the Premium Reimbursement Account or your Blue Cross Blue Shield of Massachusetts plan options, including premium costs. Just give us a call at **1-888-887-8725**.

We look forward to your membership with us.

Premium Reimbursement Accounts: What You Need to Know

Paying for your health coverage can be a challenge, and with the recent passage of health care reform in Massachusetts, having coverage is more important than ever. But there is a solution—a Premium Reimbursement Account (PRA). A PRA offers you a better way to pay for your health care coverage.

What Is a PRA?

A PRA is an account that allows you to set aside some of your paycheck to help you pay for health coverage. The money is taken out of your check before taxes are withheld, which helps lower your net cost for buying health insurance.

How Does a PRA Work?

With a PRA, once a year, you let your employer know how much to set aside to pay for coverage. That amount is then automatically deducted from your paycheck, which becomes available for reimbursement for the health care premiums you pay during the year.

How Can It Help You Save?

Your PRA deductions are taken out of your paycheck before you pay taxes—which means the money you'd have paid in taxes helps to buy health coverage.

After you pay for your health coverage, you'll submit a request to our administrator, Benefit Concepts, for reimbursement from your PRA, and reimbursement checks will be sent directly to you.

Using Your PRA Funds

There are some restrictions on how PRA funds can be used. You may only use PRA funds to pay for health care premiums—not for out-of-pocket costs, like copayments or deductibles. In addition, you cannot use PRA funds to pay for:

- the portion of your premiums that covers children not claimed as dependents on your federal income tax
- same-sex spouses
- domestic partners

continued on reverse

For more information or to
sign up, call 1-888-887-8725.



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Blue Cross Blue Shield of Massachusetts is an Independent Licensee of the Blue Cross and Blue Shield Association





Estimating Your Contributions

Because the PRA offers you a powerful tax advantage, one good way to decide how much to set aside is to pick your Blue Cross Blue Shield of Massachusetts coverage and set your contributions to cover that cost.

You can easily review your Blue Cross Blue Shield of Massachusetts health plan options by calling us at **1-888-887-8725** or visiting www.getbluema.com. By deciding on your plan before you enroll in a PRA, you'll be able to maximize your tax benefit by having the correct amount deducted from your paycheck. (This is important, because you cannot roll over your PRA funds from year to year.)

Using Your PRA

You can easily access your Premium Reimbursement Account funds through Benefit Concepts. Simply submit a claim form with the invoice for your health coverage and a copy of the check to Benefit Concepts, and a check will be sent directly to you. You can also opt for direct deposit of your reimbursement. If you submit a claim for more than you have deposited in your account, Benefit Concepts will hold the claim and reimburse you as more of the funds from your paycheck are deposited in the account.

You'll have access to comprehensive support from Benefit Concepts at **1-800-969-2009**. You can easily track your account 24/7 through avantserve.com, the support site for Benefit Concepts. Just sign in and you'll be able to see payment information and account balances anytime. You may also access forms, documents, FAQs and helpful links at this site.

How to Enroll

Signing up for a Premium Reimbursement Account is easy.

- Select and enroll in a medical plan—We can help. Just give us a call at **1-888-887-8725**.
- Fill out your PRA Salary Reduction Agreement and return it to your employer. If you have questions about the PRA, call Benefit Concepts at **1-800-969-2009**
- Begin submitting for reimbursement of the health plan premiums you have paid once your employer has begun taking deductions from your paycheck.



Salary Reduction Agreement

For Premium Reimbursement Account Plan (PRA) Only

Enrollment Type:		
<input type="checkbox"/> Initial Enrollment		<input type="checkbox"/> Change In Status
Effective Date of Enrollment: _____		Effective Date of Status Change: _____
<input type="checkbox"/> Annual Enrollment Change		<input type="checkbox"/> Change of Address ONLY
Employer Name:		
First Name:	Middle Initial:	Social Security Number:
Last Name:		□ □ □ - □ □ □ □ □ □ □ □
Street Address:		Date of Birth:
	Apt. #:	□ □ □ - □ □ □ - □ □ □ □ □ □
City:	State:	Date of Hire:
Zip:	Phone:	□ □ □ - □ □ □ - □ □ □ □ □ □
Email:		Location:

I hereby affirm the following Premium Reimbursement Account election:

Pay Frequency:	<input type="radio"/> Weekly	<input type="radio"/> Bi-Weekly	<input type="radio"/> Semi-Monthly	<input type="radio"/> Monthly
Pay Period Contribution:	\$ <input type="text"/>			

Due to Federal Section 125 tax code, a same sex spouse, domestic partner or dependent child that is covered under a health plan but is not a qualified dependent for federal tax purposes will not qualify as a dependent under Section 125. Due to this restriction, only the portion of the premium that applies to the coverage of the subscriber and federally recognized dependent(s) may be reimbursed from the premium reimbursement plan. If you are in this situation and require assistance in determining the portion of premium that is tax deductible, please contact Blue Cross Blue Shield of Massachusetts at 1-888-887-8725.

I have received and read the materials given to me explaining the Premium Reimbursement Account Plan. I understand that my decision regarding these elections is effective through the last day of the Plan Year. Unless I have a change in status, and I notify the Human Resources Department of this change within 30 days, there is no change permitted in the election made today.

I authorize the Company to reduce my salary on a **pre-tax** basis by the amount(s) indicated above to pay for the benefits I have elected, and I understand that I will forfeit any unused balance in my account(s) at the end of the plan year.

Participant's Signature

Date

IMPORTANT: Upon completion of this form, please return it to your Human Resource Department to be processed.

How to calculate your Per-Pay Period Contribution*

Step # 1: Multiply your Monthly Premium Amount by the number of months remaining in the Premium Reimbursement Account Plan Year.

$$\boxed{} \times \boxed{} = \boxed{}$$

[A] Monthly Premium Amount for medical coverage ⁽¹⁾ [B] Months Remaining in Premium Reimbursement Account Plan Year ⁽²⁾ [C] Total Premium for Premium Reimbursement Account Plan Year

Step # 2: Request the number of pay-periods remaining for the plan year from your HR Department.

[D] Total Pay Periods remaining for the plan year

Step # 3: Divide the total premium amount for Premium Reimbursement Account Plan Year [C] in Step 1 by the Total Pay Periods remaining in the Plan Year in Step 2 [D] to calculate your Per-Pay Contribution Amount.

$$\boxed{} \div \boxed{} = \boxed{}$$

Total Premium (from C) Total Pay Periods (From D) Per-Pay Period Contribution

(1) Refer to your BCBSMA invoice.

(2) Consult your employer

* Due to Federal Section 125 tax code, a same sex spouse, domestic partner or dependent child that is covered under a health plan but is not a qualified dependent for federal tax purposes will not qualify as a dependent under Section 125. Due to this restriction, only the portion of the premium that applies to the coverage of the subscriber and federally recognized dependent(s) may be reimbursed from the premium reimbursement plan. If you are in this situation and require assistance in determining the portion of premium that is tax deductible, please contact Blue Cross Blue Shield of Massachusetts at **1-888-887-8725**.

Note: if you experience a significant increase or decrease in your cost of coverage during your Premium Reimbursement Account plan year, please consult your employer regarding potential changes to your annual PRA contributions within at least 30 days of the change in coverage cost.



PREMIUM REIMBURSEMENT ACCOUNT CLAIM FORM

Employer Information	
Employer:	Plan Year: _____ to _____

Employee Information		
First Name:	Last Name:	Social Security Number: - -
Address:		City:
State:	Zip Code:	Email Address:

Premium Expenses	
In surance Provider:	<input type="checkbox"/> Blue Cross Blue Shield of Massachusetts <input type="checkbox"/> Other: _____

Subscriber ID #: _____

1	Premium Month:	Premium Amount Requested:
2	Premium Month:	Premium Amount Requested:
3	Premium Month:	Premium Amount Requested:
4	Premium Month:	Premium Amount Requested:
5	Premium Month:	Premium Amount Requested:
6	Premium Month:	Premium Amount Requested:

Total Reimbursement Requested: \$ _____

IMPORTANT: You must attach either a copy of the front of the check for the premium payment, or the cancelled check to obtain reimbursement.

Premium Reimbursement Certification

I certify that all premiums for which reimbursement is requested under the Plan were incurred by myself and my eligible dependents within the Plan Year of my election, they have not been reimbursed and I will not seek reimbursement under any other Plan.

I understand that I am fully responsible for the sufficiency and accuracy of all information relating to premium expense claims that are provided by me, and unless an expense is a qualifying expense under the Plan, I may be liable for payment of all related taxes and penalties including interest and penalties for the late payment by the Employer for the Employer's share of Social Security and unemployment taxes on amounts paid from the Plan that relate to such expense.

Signature: _____ Date: _____

PREMIUM REIMBURSEMENT CLAIM FORM FILING INSTRUCTIONS

Who Can File A Claim

- Reimbursement Account Plan can file a claim for reimbursement.
- Employees can file a claim form during the Plan Year and for 90 days following the end of the plan year (or 60 days from the date of your termination of employment). Please see your Summary Plan Description for additional details.
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How Do I Complete The Form

- Complete the Employer Information section by listing your employer's name and the Plan Year beginning date and ending date.
- Complete the Employee Information section by listing your name, social security number, address, and email address.
- Complete the Premium expense section by indicating the insurance provider's name (i.e., Blue Cross Blue Shield of Mass), your insurance subscriber id, the premium month(s) and the amount(s) being requested.

IMPORTANT

- **When completing the Premium expense section, if you are requesting reimbursement for multiply months, list each premium month separately on the form**
- **Complete multiple claim forms if the number of premium months that you are seeking reimbursement for is greater than the number of spaces available on the form. Do not simply sign the form and attach a spreadsheet listing all expenses. Forms received in this format will be returned to you.**
 - **Key Note: If multiple claim forms are used, make sure that the substantiation supporting your request is attached *directly behind* the claim form in which the expense is listed.**
 - Once you have listed all expenses, total the amounts and list the total in the Total Reimbursement Requested box.
 - Read the Premium Reimbursement Certification carefully; then sign and date the form .

Substantiation

Include photocopies of your Insurance Premium Invoice and a copy of the front of the check for premium payment or the cancelled check with this claim form. Please do not staple documentation to the form and please **DO NOT send originals.**

- All substantiation must be received in an 8.5" x 11" format. **If substantiation is not received in this format, your claim form and documentation will be returned to you.**
- Substantiation must contain the following pieces of information:
 - Insurance Provider Name
 - Premium month being paid
 - Expense amount
- Cancelled checks and credit card statements **alone** are not considered valid substantiation.