

Head Start

Staff Newsletter Article

What is a Health Reimbursement Arrangement (HRA)?

Most of us know that Head Start implemented an HRA several years ago.

Why did our management team elect to do it?

It allowed Head Start to purchase a High Deductible Health Plan (HDHP) PPO from our health insurance carrier, Geisinger Health Plan. By purchasing a HDHP, we were able to reduce our annual group health insurance premium and work toward controlling Head Start's and your health insurance expenses.

Even though Head Start has purchased a \$1,000 deductible program (3 per family) from Geisinger, you **are not** obligated to pay the first \$1,000 per family member each year for eligible medical services.

Also keep in mind the annual deductible **does not** apply to office visits, prescription drugs, emergency room and urgent care center visits and a number of preventive care services. For these services you are required to pay a co-pay only.

So, how does your HRA work?

Head Start funds any eligible medical expenses you or a family member incurs annually after you spend the first \$250 (per person/ 3 per family) out-of-pocket up to the \$1,000 deductible. Geisinger Health Plan administers Head Start's HRA and the claims process is seamless in the majority of instances, particularly if you use an "in-network" hospital or physician, which is always to your advantage from an out-of-pocket perspective. Out-of-network providers, although accessible, require **more** out-of-pocket expense for you and your family.

We have encountered a few instances where employees have either paid or been asked to pay the full \$1,000 deductible by a hospital admissions or billing department. You **should never pay** any more than **your share** of the deductible (\$250) when you receive services from any provider. If you are asked to do so, either instruct the hospital or physician's office representative to call the Geisinger Health Plan customer service number on your ID card or call them yourself to confirm your deductible obligation of \$250 annually (3 per family).

Last but not least, when in doubt about how your HRA and health insurance coverage works, do not hesitate calling our Human Resources Department for help. They are more than willing to assist you at any time.