

FREQUENTLY ASKED QUESTIONS

February 2023 Meetings

On February 27, 2023, the School Board of MMSD approved a change to the Retiree HRA and Escrow process. The following FAQ addresses questions about the change.

1. What does HRA stand for?

- Health Reimbursement Arrangement

2. How do you know which system you are part of? HRA or Escrow?

- HR department can verify that for you. Please email: retirement@madison.k12.wi.us

3. Why would someone choose the HRA over Escrow at time of retirement?

- Expanded options to use your HRA funds for any 213d expense in addition to funding premiums,
- Easily accessible balance and claims reimbursement available online and through your mobile device,
- The use of a debit card at the point of sale,
- Faster reimbursement which can be directly deposited to your bank account
- Dedicated customer service team available for your questions
- NOTE: With Escrow, the HRA funds will only be available for premium expenses.

4. What expenses can the HRA reimburse?

- Please visit: <https://www.ebcflex.com/eligibleexpenses/> for a comprehensive list. A couple of common examples are: dental expenses, vision expenses, copays, deductibles, labs, medical treatments, hearing exams/aids, medical supplies, approved over the counter medications and products.

5. What happens to the participants already on the HRA?

- They will be enrolled in the HRA with the effective date of May 1, 2023.

6. What happens to the participants in ESCROW?

7. The participants in ESCROW will have a choice if they want to move to the HRA or continue to stay in the ESCROW. Those who stay in the ESCROW will not be able to use their funds for 213d expenses.

8. Why is the District moving the HRA to a Third Party Administrator?

- In the past, the District has internally tracked retirement HRA benefits internally. One individual processes the claims and applies premiums for over 3,000 retirees. Additionally, the finance team cuts paper checks which results in longer reimbursement times. This is not a sustainable process, nor is an efficient way to provide service to our valued retirees. The District is dedicated to providing you better service with more accessible information. By hiring a TPA, we feel we can provide you with a better experience as an MMSD retiree.

9. Who can I contact if I have any additional questions?

- retirement@madison.k12.wi.us

10. Where can I get additional resources?

- The presentation, eligible expenses and eventually enrollment directions will be available on the District Website: <https://www.madison.k12.wi.us/human-resources>
Please review this before you contact MMSD directly.

11. What does EBC stand for (the new Administrator of the HRA plan)?

- Employee Benefits Corporation

12. Where is the EBC Customer Service Center located?

- Madison, WI
- Call Center Hours: Monday through Friday, 7am – 7pm CST.

13. How do we contact EBC with questions?

- EBC's Participant Services team can be contacted by calling 800-346-2126 or emailing participantservices@ebcflex.com during call center hours.

14. With an effective date of May 1st, when do I have to decide to enroll?

- March 6 – March 31

15. If married, will there be additional EBC debit card issued for my spouse?

- Yes, you will need to contact EBC to obtain an additional card. This can also be completed on your secure web portal.

16. Do claim reimbursements have to be electronic only through the EBC online portal?

- No, there is also the option for a manual claim submission form. It can be emailed, mailed or faxed.

17. Is there an option to set up a recurring claim for premiums?

- Yes, the manual claim submission form can be set up for recurring premiums. Under *Description of Service* section, label “Recurring Monthly Health Insurance Premium” for example.
- Please note, a new form will need to be filed following any premium changes.

18. If Medicare payments are coming out of Social Security currently, is it possible to get a reimbursement from EBC?

- Yes, and you can request it for reimbursements for premiums on or after May 1, 2023.

19. If with WPS is it possible to give them the debit card number to get access directly vs. going through the reimbursement?

- Yes, WPS is the only carrier that will accept the card to pay premiums.

20. Will the EBC card know what is a medical expense or prescription vs. other items like shampoo?

- If at Walgreens for example, the card knows to only will deduct the prescription/medical expense at certain locations and not the other items. If not, EBC will ask for a copy of the receipt.

21. Who is letting the carriers know about this switch?

- M3 and MMSD are working closely with the carriers.

22. Will we need a pin number for the EBC Debit Card?

- No.

23. Can the EBC Debit Card be used for premium payment?

- No, the card cannot be used to pay premiums.

24. If I passed away will the remaining funds in my HRA go to my spouse?

- Yes, the remaining funds transfer to your spouse.

25. Can I use my HRA to pay for surgery that is not covered?

- It depends on the type of surgery, there are some restrictions. Please verify coverage on the EBC site: <https://www.ebcflex.com/eligibleexpenses/> or reach out to the customer care team.

26. Will I still be on the district's insurance?

- If you are currently enrolled in the District's health insurance, this will not change. The way the billing is being handled will move from *group/district* billing to *direct* billing. You will receive a direct invoice from the insurance carrier that will need to be paid by you. You can be reimbursed for the premium through your HRA with EBC.
- There is an option to set up recurring reimbursement for premiums to make this process easier. Please note, you will need to submit a new recurring reimbursement form if you have any premium changes.

27. How will I receive my first bill?

- The insurance carrier will be sending it once the transition from group bill to individual bill takes place.

28. Will expenses automatically submit similar to the current process?

- No, carriers will not automatically submit, participant will always have to submit the expenses for reimbursement.

29. Are reimbursements always a check?

- No, there is also direct deposit option. Participants will need to sign up for it using the Direct Deposit Form or on the website. Once enrolled, there will be an email confirmation by EBC.

30. Will participants continue to get a monthly check for their premiums from the district?

- No, it will now come from EBC if a claim is submitted in either a check or direct deposit. Participants will have to send in their claims for premium payment (12 claims per year) for monthly reimbursement.

31. Will funds still come directly out of the account?

- For the HRA participants, funds will now be reimbursed by EBC, no longer coming from MMSD. If you elect to stay in the ESCROW, the District will continue to debit premiums from your balance.

32. Do participants have to use the funds for more than just premiums?

- No, the participants who enroll in the HRA will be able to use their funds for all eligible 213d expenses.

33. How will we get help enrolling?

- The District will send out specific directions to each retiree. Additionally, the MMSD Website will contain resources to help you understand and take action. Please visit: <https://www.madison.k12.wi.us/human-resources/employee-benefits/retiree-hra-enhancement>

34. Will this be retroactive?

- No, only prospective claims will be reimbursed. This is according to IRS guidelines.

35. I'm worried about having an online account with my personal information. What type of security measures are there?

- EBC follows the federal government guidelines as well as all of the banking rules for online accounts. In addition, they have two-factor authentication for an extra layer of protection. EBC conducts 3rd party audits each year to ensure security. When a participant calls EBC they have four identification measures. For example, a customer service representative will verify your: date of birth, zip code, last 4 of social, and address. To date, EBC is proud to say they've never had a breach.

36. With the EBC online account, what will my expenses look like?

- Both the EBC online account and mobile application will show each expense line itemized. It doesn't matter whether the expense was submitted via paper form, debit card, or the recurring expense form.

37. Does direct deposit happen automatically?

- No, you will need to sign up for it using the Direct Deposit Form or via online at www.ebcflex.com.

38. What if I have multiple recurring premium expenses like medical, dental, and vision? Do I have to fill out a separate recurring form for each?

- No, you can list them all of them on one form. Be sure to include in the description section all of the recurring premiums, and be sure to attach the documentation (carrier invoices) to process each expense.

39. Where does the invoice come from to show proof for reimbursement?

- You will receive the individual bill directly from the carrier. That is what will need to be submitted along with the EBC claim form.

40. Will EBC charge us a fee to provide the reimbursement service?

- No, MMSD will pay the fee on your behalf.

41. Who is responsible for determining the approved 213d medical expense list?

- That list comes directly from the IRS.

42. Can I take my money out as a lump sum and use it how I see fit?

- No, you cannot legally do that.

43. What will happen with TERP paying for medical and dental?

- That will stay the same. Still operating as is, the district is not changing that process.

44. How does it work if I am retired, but come out of retirement to be a substitute teacher?

- While substituting, your account will be frozen/suspended. In order to receive your retirement funds, you cannot work for the district. Once you stop substituting, your account will unfreeze.

45. How can I see my balance on the EBC site or application?

- Your balance will be located on the landing page right after logging on.

46. If I have a Long Term Care (LTC) policy outside of the district, can I use my EBC funds for premium reimbursement?

- No, not if the policy is outside of the district. The funds pertain to district policies only.

ESCROW SPECIFIC FAQs

1. Participants are currently notified about the Escrow account twice a year. Is there going to be an option to have that information more frequently?

- MMSD is reviewing that that process.

2. If you have Escrow will have access online?

- No.

3. If currently under Escrow is there an option to stay, or is the HRA mandatory?

- Escrow participants have the choice to stay on this plan for now.

4. If an Escrow account holder chooses to move to the HRA, what will be different about the process with the HRA at EBC?

- Participants will need to submit all premium bills and claims to EBC for reimbursement. The reimbursement will take place through Direct Deposit or paper check.

Additional FAQs from the 03/29 - 03/31 Zoom Meetings

1. Will I get the 2% discount from WPS if I use the EBC card?

- No, ACH is the only way to get the 2% discount with WPS.

2. If my spouse is deceased, and I pass away, what happens to any unpaid bills?

- After an account holder passes away, the person who handles the estate can submit expenses which were incurred prior to the account holder's death and have them paid out.

3. Can a power of attorney be appointed if a member becomes incapacitated?

- Yes.

4. How do other school districts handle the HRA when a retiree substitute teaches?

- Most terminate/put on hold the retiree if they go back to teaching and then reinstates them (with a blackout period) once they stop substitute teaching again.