



Los Gatos Saratoga Union High School District
17421 Farley Road West
Los Gatos, CA 95030
408-354-2520

A Health Reimbursement

Arrangement (HRA), commonly referred to as a health reimbursement account, is an IRS-approved, employer-funded, tax-advantaged health benefit plan that reimburses employees for out-of-pocket medical expenses and individual health insurance premiums. An HRA is not health insurance. Our District also allows employees to have access to their HRA accounts after retirement. MidAmerica is the administrator for our HRA (<https://www.mymidamerica.com/>).

Premium Reduction Option: If you enroll in a medical plan and pay a portion of your medical premium from your paycheck, you can reduce your monthly premium by your allowable **Health Reimbursement Arrangement (HRA)** amount (up to \$125/month, prorated based on your **Full-Time Equivalent [FTE]** status). For example, if your share is \$100, we will apply that \$100 to your premium, and the remaining \$25 will be deposited into your MidAmerica account. You must submit a MidAmerica **recurring form** to payroll to elect this option.

If you do not wish to apply your HRA funds toward your monthly premium, the amount will be deposited into your MidAmerica account. You can then file a claim for eligible out-of-pocket expenses (excluding any monthly premium share already deducted on a pre-tax basis).

Waiving Coverage: If you are an 80-100% FTE employee and elect to waive medical coverage, you can qualify for \$300 per month in HRA contributions upon [providing proof of other medical coverage](#).

No Employee Share: If you enroll in medical benefits and do not have an employee share, your HRA contribution of \$125 per month (prorated based on your FTE) will be deposited into your account with MidAmerica. You may either submit the Reimbursement Form directly to MidAmerica or file a claim online for eligible expenses. The eligible expenses list, online directions and online claim instructions are attached.

Savings Option: If you enroll in medical benefits **and** have an employee share, but do not want to apply the HRA, then you can leave your money in the HRA account to earn interest. The funds will remain in your account even if your employment with the district terminates. No form is needed for this option.

Employees with less than 80% FTE (certificated) and 87.5% FTE (classified) are only eligible to receive a pro-rated HRA if they enroll in medical benefits; if they waive medical coverage, they are not eligible for the \$300 benefit.