

Don't be a "Double Dipper!"

When an expense is paid from both the HRA and the HSA it is called "double dipping".

For those who have an HSA and an HRA, there are certain guidelines that must be followed to ensure the above situation is avoided and that both accounts are used correctly.

1. **Any HRA eligible expense paid through the use of your HSA funds may be applied** (not reimbursed) **toward the out of pocket responsibility under your HRA.**
 - a. The out of pocket responsibility is the amount you are responsible for prior to reimbursement (see your plan summary for additional details).

2. **Any HRA eligible expense paid through the use of your HSA funds cannot be reimbursed by your HRA.**

Example 1

Employee A is on a family medical insurance plan. S/he has incurred \$6,000.00 in deductible expenses. This amount has NOT been paid to the medical provider. Employee A is responsible for the first \$5,500.00 of their deductible expenses prior to HRA reimbursement. Employee A can use his or her HSA funds to pay for the first \$5,500.00 in deductible expenses. Employee A can submit all Explanation of Benefits from the medical insurance company to Admin America showing that \$6,000.00 was incurred. Employee A is then reimbursed the last \$500.00 of the deductible.

Example 2

Employee B is on a family medical insurance plan. S/he has incurred \$6,000.00 in deductible expenses. This amount has been paid to the medical provider. Employee B is responsible for the first \$5,500.00 of their deductible expenses prior to HRA reimbursement. Employee B used his or her HSA funds to pay for the full \$6,000.00 in deductible expenses, which is \$500.00 greater than the required \$5,500.00 responsibility. Employee A can submit all Explanation of Benefits from the medical insurance company to Admin America showing that \$6,000.00 was incurred, however, s/he cannot be reimbursed the last \$500.00 of the deductible because it was already paid with the HSA funds.

Please Note

You are responsible for understanding your HSA benefit usage. Any expenses submitted to Admin America above the out of pocket responsibility is assumed to have NOT been paid from any other benefit source. If this is not the case, it is your responsibility to adjust your other benefit plan prior to HRA claim submission.

Please reference IRS Publication 969 for additional details

<https://www.irs.gov/publications/p969>

Questions?

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