



Keeping an Eye on Your HRA Options

Health coverage is a focus for small employers as they look for innovative and cost-effective ways to provide benefits. A Health Reimbursement Arrangement, or HRA, is timely and can offer substantial flexibility for your small business.

Tell me more

Offering a small employer HRA to employees allows them to use account dollars to pay their individual healthcare premiums and to reimburse any out-of-pocket costs they or their dependents may incur.

- In 2018, you can contribute up to \$5,050 for an individual and \$10,250 for a family.
- For employees to be eligible, they must have completed 90 days of service, be full-time employees over the age of 25, and residents of the U.S.
- Participating employees must maintain minimum essential health coverage to realize the tax advantage of the HRA, or the funds could be included as taxable income during any lapse in coverage.
- HRA funding amounts are reported on W-2s, and a Form 1095B is required.

HRAs benefit employers too

Small employer HRAs are cost-effective for you, your employees and their dependents. This is an exciting win for small employers who want to remain competitive and to promote retention of their valuable employees!

HRAs can be appealing for many employers:

- HRAs help employers who are concerned about cash flow or that have a higher-than-average turnover. When employees leave the company, funds are returned to the employer.
- Healthcare funds contributed to the account are available for employees to use on day one.
- Retirement-aged employees are able to rollover funds contributed to their HRA.

Get started today with a healthcare benefit option built for the needs of your small business.