

Health Reimbursement Arrangements (HRA):

Health reimbursement arrangements are flexible plans that allow the employer to fund certain out of pocket medical expenses, including premiums, for the employee. These expenses are tax free and can be used in conjunction with other benefit plans to effectively control costs.

	HRA	
	\$500 Deductible	\$1000 Deductible
Coinsurance	80% 20%	80% 20%
Premium Paid	\$4,518.00	\$2,782.00
Employer paying difference in deductible	\$0.00	\$500.00
Cost to employer	\$4,518.00	\$3,282.00
Total annual savings with a HRA	\$1,236.00	