



## HEALTH CARE REIMBURSEMENT ACCOUNT PROGRAM

### Overview

HCRA and LPHCRA are similar, however, each have their own set of rules and each type of account has a separate list of eligible products and services that the funds may be used for.

HCRA and LPHCRA both have a “use it or lose it” rule meaning any unspent funds at the end of the plan year will be forfeited as defined by IRS rules.

**A HCRA** is an employee benefit provided by the Judiciary that allows employees to save money if they are not contributing to an HSA. With a HCRA, employees set a specific amount of pre-tax dollars to be withheld from their paycheck. The funds are then used to pay for qualified health care expenses, including medical, dental and vision expenses.

**An LPHCRA** allows employees who are contributing to an HSA to set a specific amount of pre-tax dollars to be withheld from your paycheck to pay for qualified dental and vision expenses only.

Please note these are general guidelines. For complete details, consult [IRS Publication 502](#) or the Flexible Spending Eligible Expense Guide found by logging into the JBC website via JENIE or directly <https://judiciary.lifeatworkportal.com>. From the home page, select Library > Flexible Benefit Program > Flexible Spending Eligible Expense Guide.

### How HCRA and LPHCRA Works

- 1. Funding:** During Open Season, you decide on a specific amount of pre-tax dollars with which to fund the account. Be sure to choose an amount likely to be spent since leftover money is forfeited at the end of the plan year. The IRS reviews and updates the maximum amount annually. For this year's maximum amount, review the Flexible Benefit Summary Plan Description document on JBC <https://judiciary.lifeatworkportal.com> > Library > Enrollment Guides.
- 2. Paying for qualified expenses:** Pay for eligible expenses using the JBC debit card. You may also pay out of pocket and request reimbursement online.
- 3. Requesting reimbursement/substantiating purchases:** Each purchase you made must be verified, or substantiated, typically with an itemized receipt or Explanation of Benefits (EOB).\* Submit claims and request reimbursement online by logging into the JBC website via JENIE or directly at <https://judiciary.lifeatworkportal.com>, then select the tile “View or submit claims, see your eligible expenses, and more.”
- 4. Reimbursement claims processing:** The JBC promptly processes requests. Reimbursement requests are paid by direct deposit.

#### Reminder:

If you are enrolled in an HDHP with an HSA, you can open a LPHCRA but not a HCRA. Eligible expenses for LPHCRA are limited to vision and dental expenses.

\*Typically, you do not need receipts or documentation for prescription drugs if the JBC debit card is used. However, in some circumstances documentation may be required. You will receive notification from the JBC if documentation for your prescription drugs is required.

# HEALTH CARE REIMBURSEMENT ACCOUNT PROGRAM

## Frequently Asked Questions

### HCRA and LPHCRA

#### Whose expenses can be paid?

The benefit can be used to pay for eligible expenses for you, your spouse, and tax-qualified dependents.

#### What happens if I leave the Federal Judiciary?

Participation ends at termination of employment. Former employees are not eligible to be reimbursed for qualified expenses incurred after the date of termination.

Reimbursement requests for claims incurred while active under the Plan must be submitted by April 30 of the following year.

#### When do my funds expire?

The IRS requires that any money left in a Reimbursement Account at the end of the plan year be forfeited. This is known as the IRS's "Use-it-or-Lose-it" Rule. However, the Judiciary offers a grace period which allows you to incur expenses until March 15 of the following year and to submit claims for the prior year until April 30 of the following year.

#### Is there a limit to how much I can contribute?

The IRS reviews and updates the maximum amount annually. For this year's maximum amount, please review the Flexible Benefit Summary Plan Description document on JBC <https://judiciary.lifeatworkportal.com> > Library > Enrollment Guides.

### Limited Purpose HCRA Only

#### Who is eligible to contribute to an LPHCRA?

Typically if an employee is enrolled in a high deductible health plan with a HSA, they are eligible to contribute to an LPHCRA. IRS rules prevent you from contributing to both an HSA and FSA. However, by limiting FSA reimbursements to dental and vision expenses, the IRS allows employees to participate in both an LPHCRA and HSA. This allows you to maximize your tax savings.

#### Which should I spend first – LPHCRA funds or HSA funds?

This decision is up to participants, but in general consider spending your LPHCRA funds first and preserving your HSA funds since you own them; they carry over year after year and never expire. LPHCRA funds typically expire if not used within the same plan year the account is funded. Any unspent funds at the end of the plan year will be forfeited.

#### What kinds of expenses qualify?

An LPHCRA generally covers out-of-pocket dental and vision expenses.

Examples:

- Dental cleanings, fillings, crowns, and braces
- Contacts, glasses, eye exams, and vision correction procedures like LASIK

### Contact Us

If you have any questions regarding this information, please contact the JBC at 1-877-207-3220. Representatives are available 9 a.m. to 8 p.m. ET, Monday through Friday, except federal holidays.