

# HRA Quiz

1. Only Owners of Regular Corporations (C Corp) and Professional Corporations, their spouse and dependent children can participate in a Health Reimbursement Arrangement. Yes No
2. The Employer can mandate participation in the company sponsored health plan as an eligibility requirement. Yes No
3. The Employer can select what out of pocket medical expenses the HRA will reimburse as long as these expenses are listed IRC Section 213(d). Yes No
4. The Health Reimbursement Arrangement (HRA) can be implemented with any Employer sponsored group health plan. Yes No
5. Health Reimbursement Arrangements are a COBRA eligible benefit. Yes No
6. Roll over of left over funds into the next plan year is an option. However, the Employer can elect a "Use it or Lose it" option. Yes No
7. Plan Documents and Summary Plan Description is required by the IRS Regulations governing Health Reimbursement Arrangements. Yes No
8. An Employer can establish dual option health plans and attach the HRA to only one of the offered plans as long as the employees are eligible to elect either health plan option. Yes No
9. Cash out of left over funds by the employees is permitted as long as they pay a 10% penalty. Yes No
10. Claims substantiation is required. The funds paid out are considered a business expense once the dollars are paid out to the employees. Yes No
11. The funds must be 100% Employer funded. However, employees can elect to match the Employer's contribution. Yes No
12. An Employer can set up a FSA to co-exist with a HRA in order to permit the out of pocket medical expenses not covered under the HRA to be deducted tax-free from their employee's paychecks. Yes No
13. An Employer can offer the Health Reimbursement Arrangement and the Health Savings Account (HSA) during the same plan year. Yes No
14. The Employer can require employees to pay up to a specific dollar amount first before the HRA reimburses for expenses. Yes No