

Spousal Incentive Health Reimbursement Account as part of your benefits package

The Spousal Incentive HRA offers team members who have access to alternate group medical and prescription drug coverage through their spouse **100% coverage with \$0 out of pocket**. You will be reimbursed for **ALL** eligible co-pays, co-insurance, and deductibles incurred through your alternate medical plan up to the maximum out-of-pocket limits under the Affordable Care Act (\$9,450/single and \$18,900/family per year). No premium contribution will be deducted from your paycheck.

Plus, Watco will reimburse you for the premium contribution paid for the alternate coverage if it exceeds the premium contribution you would have paid to remain on Watco's medical plan, up to a maximum of \$300/single, \$400/team member + spouse, \$400/team member + child(ren), and \$600/family per month. If your spouse is currently enrolled in their medical plan, you will be reimbursed for any increase in premium to add you and/or your dependents, up to the above monthly maximums. If the cost of alternate coverage is less than what you would have paid for Watco's medical plan, premium contribution reimbursement is \$0.

Frequently Asked Questions (FAQs)

What is alternate group health coverage?

Alternate health coverage includes other employer group health plans, such as one offered by your spouse's employer, a retirement plan from a previous employer, a parent's group health plan (if you're under the age of 26), or group coverage available from a second employer.

What does not qualify as alternate group health coverage?

The Spousal Incentive HRA plan is not available to team members whose alternate medical coverage is one of the following:

- Healthcare exchange policy made available through the Affordable Care Act (ACA)
- An individual policy
- Limited benefit health plans
- Medicare, Medicaid, or Tricare plans
- High Deductible Health plan (HDHP) with active contributions to a Health Savings Account (HSA)
 - If alternate coverage is an HDHP plan and your spouse is not enrolled in Spousal Incentive HRA, your spouse may contribute to an FSA/HSA and use the FSA/HSA funds
 - FSA/HSA funds cannot be used for medical expenses for members enrolled in Spousal Incentive HRA
 - Team members may still use FSA/HSA funds for dental/vision as long as those expenses are not covered by Spousal Incentive HRA

What happens if my spouse's network does not include my current physician? I've been with my doctor for a long time and don't want to change now.

If your alternate coverage does not include out-of-network services or benefits, they are not eligible for reimbursement under the Spousal Incentive HRA. You should check the network status on your alternate plan as well as the prescription formulary to assure that your providers and prescriptions will be covered.

If my spouse's plan does not cover a procedure, will that procedure be a covered expense under the Spousal Incentive HRA?

No, if your alternate coverage does not cover the procedure, it is not a covered expense under the Spousal Incentive HRA and will not be reimbursed.

If my spouse and I both work for Watco and our only coverage option is Watco's medical plan, is either one of us eligible for the Spousal Incentive HRA?

No, because neither one of you have access to alternate coverage.

If I have alternate coverage with another job, am I eligible for the Spousal Incentive HRA?

Yes, you could enroll in the group plan through your non-Watco employer, and you would be eligible for the Spousal Incentive HRA.

Am I eligible for the SIHRA if my alternate coverage is a high-deductible health Plan (HDHP) with an HSA?

If your alternate coverage is through your spouse, and they are not enrolled in the Spousal Incentive HRA, your spouse may contribute to an HSA. The HSA funds CANNOT be used for medical expenses for members enrolled in the Spousal Incentive HRA. All members may still use the HSA funds for dental and/or vision expenses.

Can I enroll in the Spousal Incentive HRA and a medical Flexible Spending Account (FSA)?

Team members may enroll in both the Spousal Incentive HRA and an FSA; however, team members may not be reimbursed for the same expenses under both plans. Team members enrolled in the Spousal Incentive HRA may wish to enroll in an FSA to cover expenses that are not otherwise covered by the medical plan such as dental and vision expenses. Team members who elect to enroll in the Spousal Incentive HRA and an FSA should carefully evaluate their expenses so that they do not contribute too much towards an FSA and risk forfeiting the unused FSA funds at year-end.

What if I waive coverage in Watco's medical plan, enroll in the Spousal Incentive HRA, and then lose access to my alternate coverage?

As long as you let Watco know within 30 days of a qualifying event, you, your spouse, and your eligible dependents may re-enroll in Watco's medical plan with no lapse in coverage.

When can I cancel the Spousal Incentive HRA?

You can change your election during open enrollment each year or within 30 days of a qualifying event.

As a team member, do I need to elect to make contributions to the SIHRA plan?

No, there is no cost to you. The Spousal Incentive HRA plan is completely funded by Watco.

Is dental and vision expenses included in the Spousal Incentive HRA reimbursement?

No, only prescription and medical expenses such as copays, coinsurance and deductibles are reimbursed.

What do I need to do when I enroll?

- Select the Spousal Incentive HRA plan option when enrolling via Benefit Focus
- Enroll in your alternate coverage
- Watch for an email from NueSynergy that includes a Welcome Kit with further information and instructions on how to complete your registration online

What is required from me after I enroll in the Spousal Incentive HRA plan?

- Proof of enrollment in alternate coverage*
- Proof of alternate coverage premium amounts and frequency (e.g. pay statement/check stub)*
- If the entire family is not enrolling in the Spousal Incentive HRA, then you must provide the tiers of coverage indicating the cost for each tier
- Copy of alternate plan's Summary Plan Description (SPD) showing deductible amounts and out-of-pocket maximums*
- Documentation for incurred expenses such as Explanation of Benefits (EOB), invoices, receipts, etc.*

How do I file a claim with the Spousal Incentive HRA plan?

NueSynergy Debit Card

- Can be used to pay for any upfront medical co-pay, co-insurance, or deductible expenses for those covered under the Spousal Incentive HRA
- Supporting documentation will be required for every card transaction
- You can submit supporting documentation by logging into your account at go.watco.com or using the Watco Benefitplace App, and following the below next steps:
 - **Step one:** Choose the NueSynergy icon and select Claims then Claims Activity from the navigation menu
 - **Step two:** Click Add Receipt under Action Needed to attach your electronic claims documentation
 - **Step three:** Drag and drop, or click Browse, to select your electronic documentation. Click Submit to attach the documentation to your debit card transaction. Your receipt has now been attached and is pending approval from NueSynergy.

Online Claims

- One of the easiest ways to submit your claim for reimbursement
- Submit an online claim by logging into your account at go.watco.com or within the Watco Benefitplace App and following the below next steps:
 - **Step one:** Choose the NueSynergy icon, click Claims, and select Submit Claim for Reimbursement
 - **Step two:** Enter your claim detail and upload your scanned receipts. Read the certification statement and check the box to agree. Click Submit.
- Once your claim is processed an email notification is sent to confirm approval or request additional documentation

Paper Claims

Download a Spousal Incentive HRA claims form by going to go.watco.com and selecting the NueSynergy icon or using SSO in Benefitplace.

- Claims can be emailed to customerservice@nuesynergy.com or faxed to (855) 890-7238

Supporting Documentation

Examples of supporting documentation include:

- Explanation of Benefits (EOB) from alternate coverage
- Prescription receipt including name of drug, date filled, patient's name, and patient responsibility amount

Premium Reimbursement FAQs

What if I am enrolled in my spouse's plan and the premium is higher than my Watco medical plan?

You will be reimbursed for the difference between the plans up to a maximum of \$200/month (single), \$400/month (team member), and \$600/month (family). If the premium does not increase by adding dependents, then there is no eligible premium reimbursement under the medical expense reimbursement plan (MERP).

What if my spouse's employer charges a surcharge if I choose to enroll in his/her plan?

Surcharges relating to spousal or dependent coverage will be included in your premium reimbursement calculation.

What if there is a change to my spouse's plan premium?

You must inform NueSynergy of premium changes as soon as possible – but not later than 90 days after an increase or decrease in premium contributions – so your reimbursement may be appropriately adjusted. This information can be mailed, faxed, or emailed securely to CustomerService@NueSynergy.com.

What if the premium cost of my alternate coverage is less than what I would have paid for Watco's medical plan?

You will not receive reimbursement in this situation. Reimbursement is only made if the premium cost of the alternate coverage is higher than the Watco medical premium cost.

How are employee premium contributions reimbursed?

If the employer-sponsored group health plan in which you enroll has a higher premium cost than that of your Watco plan, you will be reimbursed the difference in premiums for those leaving the plan.

For example:

- Your Watco medical plan premium contribution for you and your family is \$800 per month.
- The cost for a family plan with your spouse's health plan is \$1,200 per month.

In this example you will be reimbursed \$400 per month ($\$1,200 - \$800 = \400).

This monthly amount will be reimbursed through Watco's payroll if your spouse's premium contribution is deducted from their paycheck pre-tax. If the premium contribution is post-tax, the monthly amount will be reimbursed by check or direct deposit.

**Documentation to be submitted to NueSynergy. Instructions will be included in your Welcome Kit.*

FOR MORE INFORMATION

Watco Benefits

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NueSynergy

go.watco.com

NueSynergy SSO within Watco Benefitplace

Phone: (855) 890-7238