

A Snapshot of How the HRA and HSA Work

- You pay nothing for preventive care received in-network. **Cigna pays 70% of allowable charges for preventive care received outside the network after you meet the plan’s deductible.**
- The City provides funds equal to half of your deductible; funds are pro-rated if you join the plan after July 1st each year. See www.tucsonaz.gov/insurance for details.

HRA

- You pay a copayment for prescription drugs.
- You pay a share of the cost for all services except preventive care, which is covered 100% if received in-network.
- This plan comes with a City-owned account that has funds available to you if you have qualifying medical expenses. (Funds may not be used for dental or vision costs.)
- Funds for deductible and coinsurance (the percent of costs you pay after you’ve reached your deductible) are available on your first day of plan coverage. If you leave the City, the City will continue to contribute to your fund if you continue the plan either as a retiree or through COBRA.
 - If you leave the plan, you forfeit any remaining funds.
 - Accrued funds are reduced if you reduce coverage tiers and go from covering family members to covering only yourself.



City contributes \$1,000 (single) or \$2,000 (if you’re covering at least one dependent) on the first day of the plan year or on your benefits start date (pro-rated if you join after July 1) to an account designated for your use

Qualifying medical claims are paid automatically from the account before you pay any share of claims costs

Funds roll over to the next plan year as long as you remain enrolled in the plan. The City contributes more funds each plan year so qualifying expenses can continue to be paid.

Account balance is reduced by \$1,000 if you reduce coverage tiers and go from covering dependents to covering only yourself (employee only or retiree only)

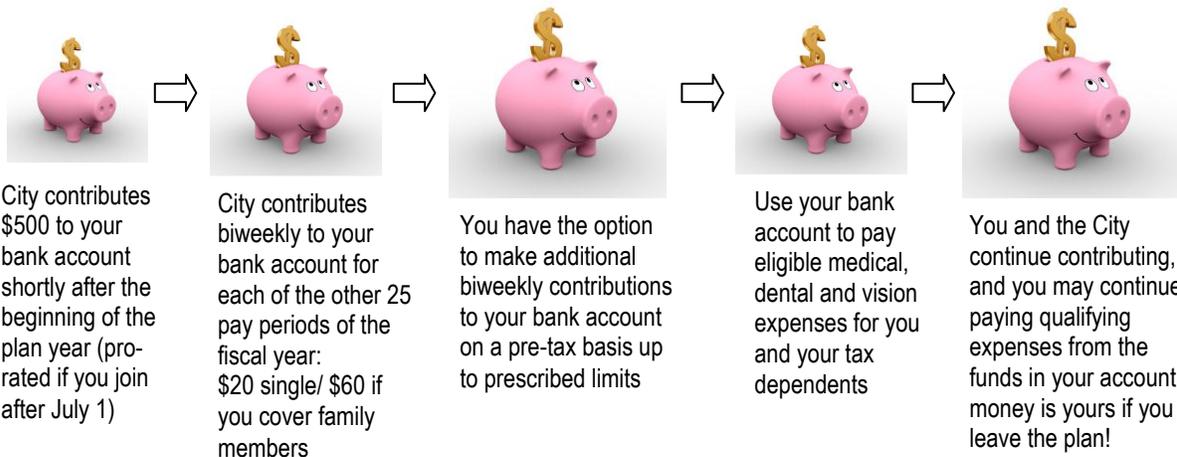
Since HRA funds belong to the City, you forfeit the funds if you leave the plan.

- After you’ve spent all your funds, you pay 100% of claims with your own money until you reach the plan’s annual deductible (\$2,000 for Employee Only; \$4,000 if you’re covering family members)
- After you reach the annual deductible, most in-network services are covered 90% (you pay 10%), and most out-of-network services are covered at 70% of allowable charges (you pay 30% plus any non-allowable charges) until you reach your annual out-of-pocket maximum.
- After you reach your out-of-pocket maximum, most in-network charges are covered at 100% (you pay nothing). Out-of-network charges are covered at 100% of allowable charges. You pay all out-of-network non-allowable charges.

Non-allowable charges generally don’t count toward the deductible or the out-of-pocket (OOP) maximum, which means that you’ll pay them in addition to the deductible and OOP amounts.

HSA

- You pay 100% of prescription drugs until you reach your deductible. (You'll receive a discounted price if you use network pharmacies; compare costs between pharmacies at www.myCigna.com.)
- You pay a share of the cost for all services except preventive care, which is covered 100% if received in-network.
- This plan comes with a bank account that you can use to pay qualifying health expenses. You may use funds to pay qualifying dental and vision expenses, too! (The IRS dictates which expenses qualify.)
- If you enroll during Open Enrollment, the City contributes \$500 to your HSA bank account approximately two weeks after the first pay day of the plan year (pro-rated for those who join the plan after July 1). The City contributes the remainder of its annual contribution over the remaining pay periods of the year (\$20 per pay period for Employee Only coverage, \$60 per pay period for all other coverage tiers).
 - **Each contribution is deposited into your account approximately two weeks after each pay day.**
 - You may also contribute your own money to your HSA bank account:
 - ▶ Contribute via pre-tax payroll deductions; biweekly limitations exist
 - ▶ Deposit money into your HSA account in a lump sum by working with HSA Bank; lump sum contributions are not available via payroll deduction
- **The bank account is yours!** You keep it even after you leave the plan, but you do pay all the bank fees and the City no longer contributes to your account after you leave the plan.
- You're responsible for all IRS reporting regarding your bank account; you'll need to file Form 8889 when you file your taxes.



- You pay 100% of claims expenses until you reach the plan's annual deductible (\$2,000 for Employee Only; \$4,000 if you are covering family members).
- After you reach the annual deductible, most in-network services are covered 90%, and most out-of-network services are covered at 70% of allowable charges until you reach your annual out-of-pocket maximum. You pay the remaining percentage *plus any out-of-network non-allowable charges*.
- After you reach your out-of-pocket maximum, most in-network charges are covered at 100%. Out-of-network charges are covered at 100% of allowable charges. You pay all out-of-network non-allowable charges.
- **Also note that non-allowable charges generally don't count toward the deductible or the out-of-pocket (OOP) maximum, which means that you'll pay them in addition to the deductible and OOP amounts.**