Greetings!

***Please read this letter carefully as it contains information about a change to your HRA and potentially to your Escrow account. Additionally, please read the Presentation and FAQ on the District website which provides more details about this transition.***

On February 27, the MMSD Board approved a change to administration of the Health Reimbursement Arrangement (HRA). **The District will move administration of the HRA to Employee Benefits Corporation (EBC)**. We are very excited about this change because it will provide you with an improved experience including transparency and easily accessible information, customer support, and enhancements in how you can use your money in the HRA or Escrow account. **This change will be effective May 1, 2023.**

**What are the benefits of moving to the EBC HRA?**

* **Reimbursement Enhancement**: Currently retirees can only use their HRA to reimburse premium. With the EBC HRA, retirees will be able to use their HRA for all 213d expenses. This means, medical, dental and vision out of pocket expenses as well as medical equipment, medical supplies, and other expenses for your health and wellness. This includes Medicare Part B and D premiums. If you remember having a Flexible Spending Account, the eligible expenses are the same.
	+ **EBC Debit Card**: You will receive one debit card to use at the point of sale; some items can be purchased directly so you don’t have to submit reimbursement for all expenses.
* **Transparency and Accessibility to Information**: EBC has a robust website and a mobile app where you can see your balance and your transactions 24/7.
* **Customer Support**: EBC has a customer service department available during the weekdays so you can get quick answers to your questions.

**How does this change affect me if I have an HRA through MMSD?**

If you have an HRA set up through the District, your balance will be moved to EBC. Additionally, if you are insured under the District plans (health, dental), you will be directly billed each month for the premium. You will be responsible for paying the monthly premium and then will submit a claim to be reimbursed out of your HRA.

**How does this change affect me if I have an Escrow account through MMSD?**

If you have an Escrow, the District currently debits the monthly premium from your balance for your insurance coverage. At this time, you have a choice if you would like to move your Escrow account to EBC. If you choose not to move to the EBC HRA, you will not be able to use you Escrow for 213d expenses, but only for the same premium payments that are in place today. *Important Note: If you use your Escrow to pay for Long Term Care (LTC) payments, you* ***must*** *move your account to the EBC HRA. This is due to the way the group policy is set up through UNUM.*

**QUESTIONS?** Please review and consult the resources on the MMSD Website – https://www.madison.k12.wi.us/human-resources/employee-benefits/retiree-hra-enhancement.

**A Special Note for those on the WPS Medicare Supplement:** If you are currently on the WPS Medicare supplement, you will be able to use your EBC debit card to pay for your premiums. Please work with WPS to set up the recurring payment.

**What is Next?**

We will need some information from you; please review and complete the attached election form confirming your information, including beneficiary of your HRA. Please complete this form and send it to the District no later than March 31, 2023.

The insurance carrier will send you a bill starting in April for premiums after May 1, 2023. EBC will send you a debit card no later than the beginning of May.

The District will cease reimbursing claims from the HRA on Friday, April 14. If you have claims that you would like reimbursed, please send them to the District no later than this date. There will be a two-week “blackout period” as we transition to the EBC HRA where no claims will be reimbursed.

Please review the FAQ and EBC HRA Introduction presentation on the MMSD website for more detailed information.

**Important Dates:**

* March 31: Due date for election form. Please send this form to the address listed at the bottom.
* April 14: Last day for the District to reimburse HRA claims
* April 14 – April 30: Account balances transfer to EBC. No claims will be reimbursed during this time.
* May 1: EBC HRA effective date.

If you have questions, please first read the resources available to you. If you have further questions, please direct them to: Retirement@madison.k12.wi.us.