

# Consumer-Directed Healthcare Plan Design Worksheet

- How much would you like to allocate to an HRA for each employee during the year?  
Employee only \$  Family \$  Other \$
- Would you like to make the entire annual employer HRA allocation available on the first day of the year, or monthly?  
 First day of the year  Monthly, pro-rata  Other
- Some employees may need to budget more in a healthcare account than you choose to allocate from employer funds. What annual dollar limit do you want to set for employees that wish to make voluntary pre-tax payroll deductions to an FSA account? \$
- Funds allocated by employers to an HRA account will be accounted for separately from voluntary employee FSA contributions. You can also restrict employer allocations to pay certain types of expenses. For example, you can set up the employer allocation so it will only pay for prescriptions, co-pays, and the health plan's deductible expenses, while items like over-the-counter medicines and supplies, contact lenses, eyeglasses, laser surgery, orthodontics or prescribed health-improvement programs would be paid from the dollars employees elect through voluntary pre-tax payroll deductions.

You can also choose which account will be first to pay certain types of expenses. For example, you may want employee FSA funds to start paying pharmacy expenses only after employer HRA allocations are completely used.

Healthcare Expenses (check <input checked="" type="checkbox"/> your choices)	Pay from employer HRA dollars	If employees contribute to an FSA, which account pays this expense first?
Prescriptions	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/> Employer HRA <input type="checkbox"/> Employee FSA
Medical expenses subject to the deductible of your health plan	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/> Employer HRA <input type="checkbox"/> Employee FSA
Over-the-counter medicines and supplies	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/> Employer HRA <input type="checkbox"/> Employee FSA
Other IRS qualified medical, dental, vision fees, and healthcare products	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/> Employer HRA <input type="checkbox"/> Employee FSA

- Unused *employer* HRA allocations will expire at the end of the plan year unless you choose to roll them forward. For example, to encourage employees to plan ahead and budget wisely, you might designate that a portion of the unused employer allocation (say 50%) roll forward to the next year. However, there is no IRS requirement to roll forward any portion of the employer contribution that is not used.  
Will unused employer contributions be carried over to the next year and be available for expenses incurred in the following year?  
 Yes  No If yes, what percent?  % up to a maximum amount of \$  or  unlimited?
- Unused *employee* FSA contributions can be used for expenses incurred within 75 days after the plan year end. This is an IRS option that you select and one that employees will appreciate.  
Will unused employee contributions be carried over to the next year and be available for expenses incurred within 75 days after the plan year end?  Yes  No

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