

The Health Insurance Reimbursement (HIR) program is offered to eligible retired Tier I and Tier II members who elect a medical, dental and/or prescription plan other than those offered by SDCERA. Retired General and Safety, Tier I and Tier II members who are eligible for a Health Insurance Allowance (HIA) may enroll in the HIR program to use their allowance to help offset the cost of their insurance premiums.

## Eligibility

Retired General and Safety, Tier I and Tier II members are eligible for an HIA if they have at least 10 years of SDCERA service credit. The amount of the allowance is based on years of total SDCERA service credit and eligibility for Medicare. Tier I and Tier II members who were granted a disability retirement are eligible for the allowance, regardless of years of service credit. An eligible member's surviving spouse who receives a monthly continuance is also eligible. For more information, review the *Health Insurance Allowance* fact sheet available on the Health page of [www.sdcera.org](http://www.sdcera.org) or by contacting the SDCERA Health Plans Service Center.

If you are eligible for an allowance, you may request an HIR if you select a medical, dental or prescription plan offered by another employer, insurance company, the military, or any other group, including coverage through a COBRA or Cal-COBRA election. You may purchase coverage offered through the Exchanges; however, receiving reimbursement from SDCERA will make you ineligible to receive federal subsidies.

The reimbursement may only be used toward the out-of-pocket cost of your individual medical, dental or prescription plan premium(s). Many insurance plans cover more than one person; however, SDCERA will only reimburse for the cost of the SDCERA Member's coverage, not for the cost of other family members. The reimbursement may not be used toward the cost of annual deductibles, copayments, prescriptions, vision insurance, coinsurance or long-term custodial care.

### Two conditions must be met in order to be eligible for the HIR program:

- 1 You must be eligible for a Health Insurance Allowance.
- 2 You must have coverage other than an SDCERA-sponsored medical, dental and/or prescription plan and have an actual cost for the coverage.

## Enrollment

If you are not currently receiving an HIR, your initial request can be made at any time throughout the year.

Once you are enrolled in the HIR program, you must re-enroll every year during SDCERA's Open Enrollment period in November, even if you make no changes to your plan. For example, if you originally enroll in the program in August, you must re-enroll three months later in November. The re-enrollment paperwork submitted during Open Enrollment becomes effective January 1 of the following year.

If your current plan or premium amount changes during the year, you must report the change to the SDCERA Health Plans Service Center within 30 days following the effective date of the change, because your reimbursement amount may need to be adjusted.

You do not need to enroll in the HIR program if you enroll in a dental plan offered by the Retired Employees of San Diego County (RESDC) or the Deputy Sheriffs' Association (DSA). Your reimbursement will be processed by separate authorization from those agencies.

## Required documentation

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You are required to submit documentation with your *Health Insurance Reimbursement Request* form that verifies your proof of coverage, proof of premium cost and proof of payment. Below are acceptable proofs for each category.

### 1. Proof of coverage

You must provide proof that shows your name as the person covered by the insurance plan and the number of people covered. Submit one of the following:

- Your most recent invoice or billing statement showing the effective date of your coverage;
- A signed letter from your insurance company or employer; or
- Your plan identification card (copy of front and back)

### 2. Proof of premium cost

You must provide proof that shows the rate breakdown and any discount, tax credit or subsidy, and the cost for the policy holder separate from the cost of dependents. Submit one of the following:

- A letter from your carrier or employer stating your portion of premiums, less any discount, tax credit or subsidy;
- Your most recent invoice, billing statement or pay stub showing your portion of premiums, less any discount, tax credit or subsidy; or
- Your renewal notification

### 3. Proof of payment

You must provide proof that shows your payment amount and paid date for the coverage, less any discount, tax credit or subsidy. Submit one of the following:

- Your most recent pay stub showing the deduction and paid date;
- Your most recent canceled check (copy of front and back);
- Your most recent bank statement showing the account holder's name with the payment amount circled; or
- A letter from your carrier or employer stating payment has been made

## Reimbursement

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After review and approval of the required documentation, SDCERA will reimburse you up to the cost of your out-of-pocket expense for your premium(s) or up to the amount of your monthly allowance, whichever is less. Your reimbursement will be effective beginning in the month that your *Health Insurance Reimbursement Request* form and supporting documents are received by the SDCERA Health Plans Service Center.

### Health program fees

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The administrative expenses of the health benefit program are paid by each plan participant. The health benefit program expenses are divided equally among participants, resulting in a monthly fee per person for each plan in which they enroll (applicable to SDCERA-sponsored medical and dental plans, and the Health Insurance Reimbursement program). The administrative fee amount is based on the number of plan enrollees; any surplus or deficit of fees collected will be applied to future years' expenses.

The Health Insurance Allowance and Health Insurance Reimbursement programs are considered a Health Reimbursement Account (HRA) under the federal Patient Protection and Affordable Care Act. If you participate in an HRA program, you are subject to the annual Patient Centered Outcomes Research Institute (PCORI) fee; this fee is determined annually by the federal government.

### Reimbursement examples

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1. If you are the health insurance policy holder with a total monthly cost of coverage (including dependents) of \$800, SDCERA will reimburse your out-of-pocket expense for your portion of the premium. If your portion of the premium is \$450, and you have a monthly HIA amount of \$300, SDCERA will reimburse \$300. You will be reimbursed up to the cost of your out-of-pocket expense for your portion of the premium or up to the amount of your monthly allowance, whichever is less.

2. If you are a dependent on your spouse's health insurance plan that has a total monthly premium of \$500, SDCERA will reimburse your out-of-pocket expense for your portion of the premium. If your out-of-pocket expense for your portion of the premium is \$200, and your HIA amount is \$300, SDCERA will reimburse \$200. If your allowance amount is more than your out-of-pocket cost of your coverage, you will not receive the difference.