

## Health and finances: More connected than ever



If you have been laid off or furloughed and your company coverage ends, you and your covered dependents may be eligible to continue medical, dental, and/or vision coverage through the Consolidated Omnibus Budget Reconciliation Act (COBRA). If you are experiencing a qualifying event for COBRA, such as termination or reduction of hours, becoming familiar with how your benefits package works during this transitional period is important. The following includes detailed health account information related to COBRA.

### **Health savings account (HSA)**

If you are terminated or discontinue your employment your HSA will remain active and health account funds accessible. The account is yours to keep, and you can continue to carry over available or remaining funds from year to year. You can contribute directly to your HSA account through Optum Bank, but cannot participate through COBRA.

### **Health care FSA (FSA)**

If you are terminated or leave before the end of a plan year, and do not elect to continue participating in your FSA through COBRA, only those qualified expenses incurred in the current calendar year through your last day worked are eligible for reimbursement and must be submitted by the end of the run out period.

You may extend coverage by participating in the health care FSA through COBRA, and will then make after-tax contributions to the FSA along with any other payments for COBRA coverage. You will be direct billed for this coverage from the COBRA administrator. You can then continue submitting qualified health care expenses that you have incurred anytime while you have coverage.

## **Dependent care FSA (DC FSA)**

If you are terminated or leave your company before the end of a plan year, you cannot continue participation in the DC FSA through COBRA; however, you may continue to incur eligible day care expenses through the end of the plan year to submit for reimbursement for any remaining DC FSA balance. The claims must be submitted by the date determined by your employer.

## **Health reimbursement account (HRA)**

If you leave the company, you will have access to your HRA account through the end of the plan year to submit any eligible health care expenses for reimbursement. Any balance remaining in your HRA at the end of the plan year will be handled as your summary plan document describes. Refer to your summary plan document for further details on how your HRA functions through COBRA.

## **Card use while on COBRA**

If your employment is terminated and you have elected COBRA coverage, your health account card access depends on the account type you have:

- If you have a health care FSA or HRA, your Optum Bank payment Mastercard® access continues until the end of the plan year, at which time it will be disabled. However, you cannot submit claims for reimbursement online or through the Optum Bank mobile app. Instead, you will receive a message indicating that you need to download a claim form and submit a paper copy to file for reimbursement for expenses.
- If you have an HSA, because your account belongs to you and remains active, your Optum Bank debit Mastercard® will not be disabled if your employment is terminated. You can still use your card as long as your HSA is active.



Health savings accounts (HSAs) are individual accounts offered or administered by Optum Bank®, Member FDIC, and are subject to eligibility requirements and restrictions on deposits and withdrawals to avoid IRS penalties. State taxes may apply. Fees may reduce earnings on account. The content in this document is not intended as investment, legal or tax advice. Federal and state laws and regulations are subject to change.

Flexible spending accounts (FSAs) and health reimbursement accounts (HRAs) are administered by OptumHealth Financial Services and are subject to eligibility and restrictions. Federal and state laws and regulations are subject to change.