

**These Frequently Asked Questions are intended to help you better understand the transition of pre-Medicare retirees and their spouses from Lubrizol-sponsored retiree health coverage to the Health Reimbursement Arrangement.**

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I never had insurance through Lubrizol. Will I be eligible to receive the HRA when I retire?

I am an active employee and I my spouse is retired. Is my spouse eligible to receive the \$3,000 HRA contribution?

I am a Lubrizol active employee, and I am married to another Lubrizol active employee. I have carried the insurance for our family, and my spouse has been a dependent on my plan. If we both retire before Medicare eligibility and we both meet the age/service requirements, are we both eligible for the \$6,000 HRA contribution?

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## **Eligibility**

### **Am I eligible for the HRA?**

Those eligible for the HRA include:

- Pre-Medicare retirees who retired before January 1, 2018, and are eligible for retiree health coverage;
- Employees who retire on or after January 1, 2018, and meet eligibility criteria for pre-Medicare retiree health care at the time of retirement (i.e. employment with Lubrizol or participating subsidiary ends when the employee is age 55 or older, the employee has at least 15 years of service, and the employee is not yet eligible for Medicare); and
- Pre-Medicare spouses of eligible Lubrizol retirees.

Employees hired or rehired on or after January 1, 2018 are not eligible for the retiree HRA program.

### **I covered my children on my Lubrizol-sponsored pre-Medicare retiree plan. Are they eligible to receive an HRA contribution?**

No. Only eligible retirees and eligible spouses may opt in to receive HRA funding.

### **What if I retire when I am already Medicare eligible? Will my pre-Medicare spouse be eligible for the HRA?**

Yes. Your eligible, pre-Medicare spouse will be eligible to receive the \$3,000 HRA contribution until your spouse reaches Medicare eligibility. If you retire mid-year, the HRA amount your eligible spouse receives will not be pro-rated – in other words, he or she will receive the entire \$3,000 contribution for that year, provided your spouse opts in for the contribution.

### **I never had insurance through Lubrizol. Will I be eligible to receive the HRA when I retire?**

Being enrolled in Lubrizol's active medical coverage is not a prerequisite for HRA eligibility. If you meet the eligibility requirements, you will be eligible to participate in the HRA when you retire, and so will your eligible pre-Medicare spouse. Because you have never been on Lubrizol's coverage, Lubrizol may not have a record of your spouse. To have a record established for your spouse at Via Benefits, you will need to contact [benefits@lubrizol.com](mailto:benefits@lubrizol.com) and provide your spouse's information including name, date of birth, social security number and the date of your marriage.

### **I am an active employee and I my spouse is retired. Is my spouse eligible to receive the \$3,000 HRA contribution?**

No. Your eligible pre-Medicare spouse will not be eligible to receive the HRA until you retire from Lubrizol as an eligible pre-Medicare retiree.

**I am a Lubrizol active employee, and I am married to another Lubrizol active employee. I have carried the insurance for our family, and my spouse has been a dependent on my plan. If we both retire before Medicare eligibility and we both meet the age/service requirements, are we both eligible for the \$6,000 HRA contribution?**

Yes. If you and your spouse are both Lubrizol employees and you both individually meet the eligibility requirements, you will both be eligible to receive the \$6,000 HRA contribution. If you retire with retiree eligibility and your spouse does not, you will be eligible for the \$6,000 HRA contribution and your spouse will be eligible for the \$3,000 HRA contribution.

### **Health Reimbursement Account Information**

#### **What is a Health Reimbursement Account (HRA)?**

A health reimbursement account, or HRA, is an employer-funded spending account. Contributions made by the employer to an HRA are intended to be used by the employee or former employee, tax free, to reimburse eligible medical expenses.

#### **How do I get reimbursed from the HRA?**

After you opt in to the HRA, you will receive a *Funding and Reimbursement Guide* from Via Benefits that will help you access and manage your HRA. It will include claims and processing information, as well as forms you can use to submit reimbursement requests. Generally, you will follow the three steps below to receive reimbursements from your HRA:

1. You pay the full premiums directly to the insurance provider. You also pay your provider any required out-of-pocket expenses.
2. You submit your claim to Via Benefits with proof of your premiums and/or out-of-pocket health care expenses.
3. Via Benefits administers your account and will reimburse you from your HRA until all available funds are exhausted.

#### **When will my funds be deposited into my HRA?**

After you retire and your retirement is in Lubrizol's system, your identifying information will be sent to Via Benefits. Once you have a record in Via Benefits' system, you will be able to opt in to the HRA. Via Benefits will be able to provide you with more information about the timing of your HRA deposit after you opt in to the program.

#### **Are the HRA funds taxable?**

No.

#### **How long will I receive the HRA contribution?**

You will continue to receive the HRA contribution each year you are not yet eligible for Medicare. If your death occurs before you reach Medicare eligibility, your eligible spouse will continue to receive the annual \$3,000 HRA spouse contribution until your spouse becomes Medicare eligible.

#### **Do I have to enroll in coverage through Via Benefits to be eligible for the HRA?**

No. You do not need to place your insurance coverage through Via Benefits to be eligible for the HRA. Although you do not need to place coverage through Via Benefits, you must contact Via Benefits to opt in to the HRA to receive funding.

**If I retire mid-year and I am eligible for the HRA, will the HRA amount be prorated?**

No. No matter when you retire during the year, you and your eligible pre-Medicare spouse, if applicable, will receive the entire HRA contribution in one lump sum as soon as administratively practicable after you and your pre-Medicare spouse opt in to receive the HRA.

**Example:** Joe retires from Lubrizol in October 2018 and is eligible to participate in the HRA. He has a pre-Medicare spouse. Joe and his wife opt in to receive the HRA contribution. In 2018, Joe will receive a \$6,000 contribution, and his wife will receive a \$3,000 contribution. Both contributions will be made to a combined account established for Joe and his wife. If Joe and his wife continue to be [eligible](#) to receive the HRA in 2019, their HRA account will be credited with \$6,000 with respect to Joe, and \$3,000 with respect to his wife, soon after January 1, 2019.

**What do I have to do to receive the HRA?**

If you are an eligible pre-Medicare retiree, you must contact Via Benefits to opt in to have your HRA funded by Lubrizol. You will not be able to opt in to the HRA before you retire from Lubrizol. Your record must be sent to Via Benefits after your retirement is entered into Lubrizol's system.

**Why do I have to opt in to receive the HRA if I meet the eligibility requirements?**

Depending upon your income level, you may be eligible for the advanced premium tax credit for coverage through a public Marketplace plan. Via Benefits will help you determine whether you are eligible for the advanced premium tax credit, and if so, whether you are better off receiving the advanced premium tax credit for coverage through a public Marketplace plan, or receiving the HRA funding from Lubrizol. You cannot "do both" in the same year: In other words, if you receive the advanced premium tax credit for a year, you cannot receive HRA funding for that same year, nor can you request reimbursement from your HRA in that year. You have the option to make this choice each year, but you do not have to opt-in to the HRA each year if you are already receiving an HRA contribution. If in one year you receive the HRA funding, and the following year you receive the advanced premium tax credit, any remaining HRA funds from the previous year will continue to roll over until you no longer receive the advanced premium tax credit. Lubrizol will not add funds to your HRA until you opt in to the HRA.

**Do my spouse and I both have to choose to receive the HRA instead of the advanced premium tax?**

No. You will each make your own determination, with Via Benefits' assistance, as to whether the HRA or the advanced premium tax is right for your situation.

**Do my spouse and I both have to opt in to the HRA?**

Yes. If you and your spouse both choose to elect the HRA instead of the advanced premium tax, each of you are required to opt in to the HRA. Even though the funds are deposited into one account, you each must opt in to the HRA to receive your funding.

**What expenses are eligible to be reimbursed with HRA funds?**

You may use your HRA to reimburse yourself for eligible medical expenses, including:

- Medical, prescription drug, vision and dental plan premiums (including COBRA premiums), and
- Medical, dental and vision out-of-pocket expenses.

Prescription drug out-of-pocket expenses are NOT a reimbursable expense.

**What happens to any unused funds I may have in my HRA at the end of the year?**

Unused funds in your HRA will roll over year to year and can be used to pay for future eligible expenses if you remain in the plan.

**I am enrolled in coverage through my spouse's employer-sponsored medical plan. Can I use my HRA funds to reimburse myself for my spouse's premium contributions?**

If your spouse is paying for coverage with pre-tax premium contributions (through his or her employer's group coverage using payroll deduction), you cannot use the HRA to reimburse yourself for the cost of those premiums. Any premiums paid on a pre-tax basis cannot be reimbursed from the HRA. The proof of payment submitted to Via Benefits must clearly state that the premium is paid with post-tax dollars for it to be eligible for reimbursement from the HRA. If you have questions about eligible expenses, please contact a tax advisor.

**How often is the HRA funded?**

For each year you are eligible to receive funding, the HRA will be funded as soon as administratively practicable after January 1. During the year in which you retire, the HRA will be funded as soon as administratively practicable once your retirement is entered into Lubrizol's system and you opt in to receive funding. This process may take several weeks.

**Can I use my HRA funds to reimburse myself for my dependent children's medical expenses?**

No.

**When I turn 65 and become eligible for Medicare, will I still have access to the funds remaining in the account?**

Yes.

**Can I still contribute to my HSA if I opt in to the HRA?**

No. You may no longer contribute to a health savings account (HSA) when you have an HRA. However, you may continue to use the funds in your HSA to pay for qualified medical expenses tax-free.

**The Via Benefits Experience**

**Who is Via Benefits?**

Via Benefits is a full-service online health insurance marketplace. Via Benefits offers a selection of plans from the nation's largest insurers, along with assistance from licensed benefit advisors to help you find and enroll in a health plan that fits the needs of you and your family.

**What should I expect when I contact Via Benefits?**

You will talk with an experienced licensed benefit advisor who will ask questions to understand your needs and help you find the plans that are right for you. The first time you call, you may have to speak with an intake specialist who will identify you as part of Lubrizol's program. You will then be transferred to, or set up an appointment to speak with, a licensed benefit advisor. If you have not yet retired, your record will not be at Via Benefits. Please wait until after you retire to contact Via Benefits for support.

**What will happen on the call with Via Benefits?**

You will be asked for information about your income and health care needs. Be assured your information is private and will only be used as required as permitted by law to help you choose a plan. Each time you call, you will be asked for identifying information to help protect your privacy.

**How long will I be on the phone with Via Benefits?**

Plan to spend an hour or more on the phone with the licensed benefit advisor. You may have multiple calls with your licensed benefit advisor before selecting the plans that are right for you.

**General Information**

**I am retiring on the first of the month. When will my record be at Via Benefits?**

Your record will be sent to Via Benefits after your retirement is entered into Lubrizol's system. This data entry will occur after your actual retirement date. Your record may be at Via Benefits in as little as a few

days, or it may take several weeks depending on several factors including the timing of electronic eligibility files. Please note that if you are enrolled in active medical coverage through Lubrizol, your coverage will go through the end of the month of your retirement. If you act timely after your record is at Via Benefits, it is possible you will not experience a lapse in coverage.

**If I am retiring before age 65, can I still elect COBRA coverage?**

You may elect COBRA coverage after your active coverage ends. You may use your HRA funds to reimburse yourself for your COBRA premiums. Remember, you must still contact Via Benefits to opt in to your HRA to have the funds available.

**Do I have to enroll for medical coverage through the public Marketplace or state exchange?**

You will have the choice to enroll in plans from the public Marketplace or state exchanges (where applicable), or directly from private insurance companies. However, you are free to enroll in any medical coverage of your choice, including your spouse's employer medical plan, if that is available. Your eligibility for an HRA contribution does not require you sign up for coverage through Via Benefits or through the public Marketplace or state exchange.

*Benefits under Lubrizol's retiree health coverage and the Health Reimbursement Arrangement are provided under, and subject to, formal plan documents. In the event of a conflict between the information provided below and the applicable plan document, the terms of the plan document will govern. These FAQs are not intended to provide, and should not be construed as, tax advice, nor is Lubrizol guarantee a certain tax result in any individual situation. Consult your tax advisor with any questions. Lubrizol reserves the right to modify or terminate the benefits described in these FAQs at any time.*