## MissionSquare Retirement Health Savings (RHS)

Pay For Future Health Care Costs

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## **Health Care Cost Challenges**



Individuals are concerned about rising health care costs.



How can employees **build assets** for medical costs?

**Short Learning Video** 



### Similar to a defined contribution plan

- Individual accounts managed by each employee
- Pre-tax contributions made by you and/or employee help to reduce your taxable income wages
- Investment decisions made by employees
- Triple Tax-free savings on contributions, earnings, and distributions for qualifying medical expenses



## **Key Benefits**



- Dedicated savings vehicle
- Family coverage employee, spouse, dependents
- Tax advantages
- Investment control
- Survivor benefits



View RHS account alongside other MissionSquare accounts on statements and our website.

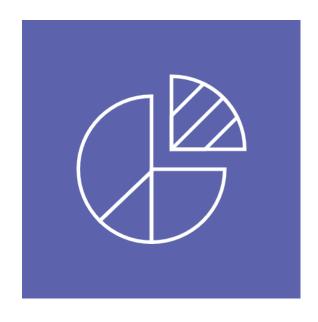


### **Benefits You**

- Your contributions are exempt from FICA and unemployment taxes
- No unfunded liability
- No IRS imposed contribution limits
- Flexible plan design that operates as a Health Reimbursement Arrangement

### **Investment Options**

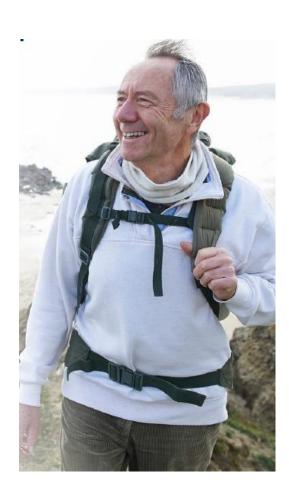
### You Decide



- Target-date funds age-based fund is default option
- Target-risk funds
- Actively managed and index, stock, bond funds
- Stable value fund

Participants can build a **diversified portfolio** by choosing a single target fund or a range of individual funds.

### **RHS Plan Provisions**



### **Sample Plan Design Features**

- Automatic Enrollment
- Mandatory Participation
- Contribution Schedule
- Ongoing Contributions

### Reimbursements

Funds are accessible once a participant has either reached

Retirement

**Separation from Service** 



# Reimbursements — What Expenses Qualify?

All IRC §213 medical expenses for participant, spouse, and dependents

#### This includes:



Medical insurance, out-of-pocket expenses



Qualified long-term care insurance premiums



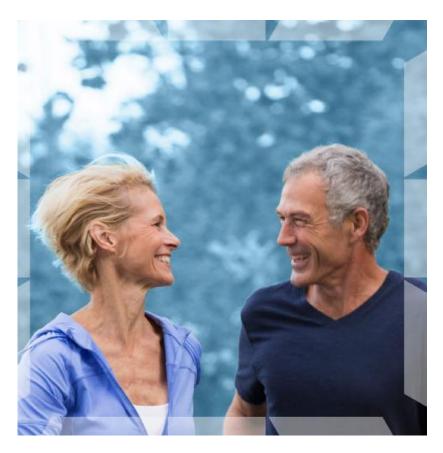
Medicare, Medigap, prescription drug, COBRA, dental, vision insurance premiums



Other qualifying medical expenses

## Other Medical Expenses (IRC Section §213)

- Medical insurance premiums
- medical out of pocket expenses
- Medicare Part B insurance premiums
- Medicare Part D insurance premiums
- Medicare supplemental insurance premiums
- Prescription drug insurance premiums
- Cobra insurance premiums
- Dental insurance premiums
- Dental out of pocket expenses
- Vision insurance premiums
- Vision out of pocket expenses
- Qualified long term care insurance premiums
- Non-prescription medications allowed under IRS guidance



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### Reimbursements

### Who can receive?



### While participant is living

- Participant
- Spouse
- Eligible dependents

### After participant's death

- Spouse
- Eligible dependents
  - Qualifying Child or Relative



### **Qualified Survivor Benefits**

### **Qualifying Child\***

- Under age 27
- Relationship includes:
  - Child, foster child, or descendant of your child
  - Sibling, stepsibling, or descendant of any such relative
- Lived with you more than half the year
- Did not provide more than half of their own support during the calendar year

### **Qualifying Relative**

- Related to you or lived with you all year as a member of your household
- You provided over half of their support during the calendar year
- Not a qualifying child of you or anyone else

<sup>\*</sup>For reimbursement of qualifying medical expenses only, the IRS has different definitions for a "child" and a dependent that includes a "qualifying child," As defined by IRC section 152(f)(1) and Internal Revenue Service notice 2010-38, or any other individual who is a person described in IRC section 152(a), as clarified by Internal Revenue Service Notice 2004-79

### **Survivor Benefits Cont.**

Considered to be related to you if dependent falls into one of the following classifications:

- Your son or daughter (or a descendant of either)
- Your stepson or stepdaughter
- Your brother, sister, stepbrother, or stepsister
- Your mother or father (or an ancestor of either)
- Your stepfather or stepmother
- Your nephew or niece
- Your aunt or uncle your son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law



### **Questions?**

To learn more, contact your MissionSquare Retirement representative, visit <a href="https://www.missionsq.org/rhs">www.missionsq.org/rhs</a>, or call:

- MissionSquare Retirement Plan Services (800) 669-7400, for account inquiries, other than claims
- **Meritain Health** (888) 587-9441, for claims-related inquiries once you're eligible to receive benefits.