



**Health Reimbursement Arrangement (HRA) for
New Hires and Qualifying Mid-Year Events (QMEs)**

Your HRA may be affected by certain events that occur after July 1 each year and will follow the proration schedule outlined below. Do-Rights rewards and other program incentives are not prorated in the event of a QME.

Enrollment After July 1 as a Newly Eligible Employee or with a QME:

If your participation in the COVA HealthAware medical plan begins after July 1, your fund amount will be prorated for the remainder of the plan year based on the proration schedule.

Enrollment or Status Change Effective Date	Proration Percentage	HRA adjustment per Employee and/or Spouse
July 1st	100%	\$600.00
August 1st	92%	\$552.00
September 1st	83%	\$498.00
October 1st	75%	\$450.00
November 1st	67%	\$402.00
December 1st	58%	\$348.00
January 1st	50%	\$300.00
February 1st	42%	\$252.00
March 1st	33%	\$198.00
April 1st	25%	\$150.00
May 1st	17%	\$102.00
June 1st	8%	\$48.00

Qualifying Mid-Year Event (QME)

If you have a QME which allows you to add or remove an eligible spouse:

- **Adding an Eligible Spouse:** Your fund amount will increase by the prorated amount of the annual contribution as indicated in the proration chart.
- **Removing a Spouse:** Your fund amount will decrease by the prorated amount of the annual contribution as indicated in the proration chart. There is no penalty if you have used more than the new, reduced fund amount before the QME change.
- In cases where two qualifying HRA funding events occur after the start of a plan year, proration of the HRA contribution (not including any incentive contributions) will reflect a weighting factor resulting in a slight difference from the chart. This could include an employee added after the start of the plan year followed by a later addition of a spouse, or an employee and spouse added after the start of the plan year followed by later termination of the spouse. For assistance with HRA proration, contact the Aetna Health Concierge at 855-414-1901.

HRA Fund “Do-Rights” and other Incentives

If you are a new hire or enroll due to a QME effective after July 1st, you and your enrolled spouse, as applicable, are eligible to earn all HRA “Do-Rights” rewards and other program HRA incentives for the plan year. The activity must take place while an enrolled member in the COVA HealthAware plan to be eligible for the incentive. Do-Rights rewards and other program incentives are not prorated in the event of a QME.

Examples:

- 1. If I enroll in COVA HealthAware with an effective date after July 1st, what amount will go to my HRA fund?**
Your fund will be prorated based on your effective date as indicated in the chart. For example, if you are a new hire effective September 1st, you will have a starting fund balance of \$498. If you also enroll your spouse, you will receive \$498 for your spouse, for a total of \$996.
- 2. What will happen to my COVA Health Aware HRA fund if I have a qualifying mid-year event and add my spouse to my COVA HealthAware plan?**
Your fund will be increased by the prorated amount indicated in the chart based on the date of the event. Anything already spent from the fund will be deducted from your new employee plus spouse fund. For example, if you add a spouse effective March 1st, you will receive an additional \$198 contribution to the fund.
- 3. What will happen to my COVA HealthAware HRA fund if I have a qualifying mid-year event and remove my spouse from my plan?**
Your fund will be decreased by the prorated amount for your spouse indicated in the chart based on the date of the event. Your adjusted fund will include the contribution for you plus the decreased/prorated contribution for your spouse. Anything spent from the fund prior to the event will be deducted from your adjusted fund amount. (There will be no penalty if what has already been spent from your HRA exceeds your new adjusted fund amount.) For example, if you remove your spouse effective March 1, your starting fund will decrease by \$198.
- 4. What will happen to my COVA HealthAware HRA fund if I change plans during the plan year or at next year’s Open Enrollment?**
Your unused fund balance will be maintained for one year. If you do not re-enroll in COVA HealthAware within a year, you will lose your fund balance.
- 5. What will happen to my COVA HealthAware HRA fund if I add or remove my dependent child?**
Regardless of your prior coverage category, if you add or remove your dependent child, there will be no change to your fund balance.