

Differences between an MRA and HCSA

Effective January 1, 2019

When you enroll in the Medical Plan, you are eligible to receive funding in a tax-free account, the Medical Reimbursement Account (MRA), that you can use to pay for eligible medical and prescription drug expenses not covered by your plan. In addition, you may also contribute your own funds to the before-tax Health Care Spending Account (HCSA). This tip sheet provides information on each type of account.

Funding of Your Accounts

- Your MRA is funded by JPMorgan Chase when you and your covered spouse/domestic partner complete Initial and Additional Wellness Activities. You cannot contribute your own dollars.
- **Initial Wellness Rewards:** You must have completed both a biometric Wellness Screening and online Wellness Assessment by Dec. 31, 2018 to receive the initial funding.
- **Additional Wellness Rewards:** To receive the additional funding, you need to complete Additional Wellness Activities from the following list of activities: preventive care, personal action call, biometric outcomes for body mass index and blood pressure or alternative activities, telephonic/online health coaching, online learning programs, Expert Medical Advice and meEquilibrium. See **My Health*** > MRA Tracker for details on these Additional Wellness Activities and their funding amounts.
- Your HCSA is funded by you via payroll deductions on a before-tax basis, based on the election you make during enrollment or when you are first eligible for coverage. You decide how much to set aside, up to an annual maximum of \$2,700 in 2019.

Using Your Accounts

- The MRA can be used only for eligible medical and prescription drug expenses, including medical and prescription drug deductibles, coinsurance and copayments. The MRA cannot be used for dental and vision expenses.
- Once your MRA funds are exhausted, you can use your HCSA for eligible medical and prescription drug expenses. However, for dental and vision expenses, you can start using your HCSA as soon as the plan year begins on Jan. 1 or when your coverage is first effective, whichever is later.
- You can also use your HCSA for all forms of insulin (even if available without a prescription) and over-the-counter health care supplies — such as bandages, contact lens solutions and supplies, reading glasses, thermometers and blood pressure monitors — without a prescription.

MRA funds are used **first** and can be used to pay eligible out-of-pocket medical and prescription drug expenses. MRA funds cannot be used for other expenses (e.g., dental and vision).

Your HCSA can be used to pay for the same out-of-pocket costs paid by your MRA, **after** you have used up your MRA funds **plus** other out-of-pocket health care costs, such as dental and vision, which cannot be paid out of your MRA.

Carryover Rules

- Any balance left in your MRA at year-end carries over for you to use in future years for eligible medical and prescription drug expenses.
- The HCSA is a “use it or lose it” account. Unused amounts up to \$500 will automatically carry over to the next year** to use toward that year’s eligible expenses. The IRS requires that **unused amounts at the end of the plan year over \$500 be forfeited**, so you should plan your contributions carefully.

If you were previously enrolled in the HCSA and decide not to participate in 2019, any unused amounts under \$25 will be forfeited. Even if you do not participate in 2019, amounts of \$25 or more will remain available for eligible health care expenses.

How Much Should You Contribute to Your HCSA?

To help you determine how much to contribute to your HCSA, go to **My Health*** > Benefits Web Center > Health Care Spending Account Estimator. This tool takes into account your eligible out-of-pocket health expenses along with any money you anticipate JPMorgan Chase will contribute to your MRA based on the Wellness Activities you plan to complete. The amount of money you expect to have in your MRA is important because you must use up all the money from your MRA *before* you can use any money from your HCSA to pay for eligible medical and prescription drug expenses. So if you don’t factor in the MRA funding you expect to earn in 2019 or prior MRA funds that will carry over to your 2019 MRA, you could over-contribute to your HCSA—and risk forfeiting any HCSA money (over \$500) you don’t use by Dec. 31.

Payment Methods

When you enroll, you need to decide how you want expenses to be paid by your MRA and HCSA — through Automatic Claim Payment or with the Debit Card. The Automatic Claim Payment feature works best for people who are comfortable with their health care company withdrawing money automatically from their MRA and HCSA to pay their eligible out-of-pocket expenses (until the accounts run out). The Debit Card feature works best for people who want to be in complete control of the money in their accounts, since it is used at the point of payment. If you don’t elect a payment method, you will automatically be enrolled in Automatic Claim Payment. For more information, see the “Helping You Choose: Automatic Claim Payment vs. Debit Card” tip sheet on **My Health***.

Who Administers the MRA and HCSA?

- Your MRA and HCSA (if you elect to participate in it) will be administered by the health care company you elect for medical coverage, either Cigna or UnitedHealthcare (UHC).
- If you are not enrolled in the JPMorgan Chase Medical Plan, your HCSA will be administered by Cigna.
- You can check your account balances at any time by logging on to your health care plan’s website on **My Health***.

Contacts

Additional information to help you choose your benefits during annual enrollment and use them throughout the year can be found on **My Health***. If you have additional questions or need more information, see the tip sheet, **Who to Call With Benefits Questions**.

*For quick access to My Health, type "**go/myhealth**" into your intranet browser (for the best user-experience, use Internet Explorer or Firefox browsers).

**If you are enrolling in another employer's plan with a Health Savings Account ("HSA") and have a balance remaining in your JPMC HCSA account, then those HCSA amounts can only be used to pay for claims incurred through the day before your HSA coverage effective date. Generally, the IRS does not permit concurrent coverage under an HSA and HCSA. Please contact your tax advisor if you have questions.

For complete plan details, see the Summary Plan Descriptions (SPDs) found on My Health > Benefits Plan Details (Summary Plan Descriptions). The Medical Plan SPD has been updated, effective Jan. 1, 2019. For all other plans, use the Bulletins and other Summaries of Material Modifications (SMMs) together for complete plan details.*

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