

# PDHRA the easy way

Use employer funds to bridge the gap on healthcare expenses



## Coverage where you need it

A PDHRA is an account that begins paying for qualified medical expenses after you've met the deductible (as determined by your employer). The PDHRA plan deductible amount<sup>1</sup> is set lower than your high-deductible health plan (HDHP) deductible to reduce your out-of-pocket responsibility.

### 01. Initial out-of-pocket expenses

Can use funds from Health Savings Account

### ↳ 02. PDHRA deductible amount is satisfied

Expenses covered by PDHRA funds

### ↳ 03. Health Plan deductible amount is met

Additional expenses covered by the Health Plan



## Free money that'd easy to use

Your employer will fund your PDHRA, so no contributions are required. Plus, all reimbursements for eligible expenses are tax-free.<sup>2</sup> You can also use your Health Saving Account (HSA) to pay for expenses you incur before you meet your PDHRA deductible.



## Hassle-Free reimbursements

Health plan claims are sent to HealthEquity and appear in your account. Once you have met the PDHRA deductible amount, HealthEquity will either automatically reimburse you or automatically pay your provider for eligible medical expenses until the PDHRA funds are gone (arrangement depends on employer option).

## HOW TO USE YOUR PDHRA:

**01 Sign up**  
During enrollment, elect to participate in the HSA-qualified health plan with a PDHRA.

**02 Use your benefits**  
Visit your medical provider or pharmacy and present your insurance card so all covered expenses are applied to your PDHRA requirement.

You can use HSA funds to pay for expenses before the PDHRA deductible has been met.

**03 Access PDHRA funds**  
Once you reach the PDHRA plan deductible, your PDHRA funds can be used to pay for any qualified medical expenses after that date.

<sup>1</sup>IRS defined minimum HDHP deductible expenses must still be met prior to the PDHRA funds being available (In 2023 the IRS defined minimum deductible amount for an HDHP is \$1,500 for individual coverage, and \$3,000 for families).

<sup>2</sup>In addition to restrictions imposed by law, your employer may limit what expenses are eligible for reimbursements. It is the members' responsibility to ensure eligibility requirements as well as if they are eligible for the plan and expenses submitted.

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