



## Retiree Health Reimbursement Account (Amended December 31, 2018)

Key Features	Access to Retiree Health Reimbursement Account Balance
<b>Retirement Date</b>	This option applies to individuals retiring on or after July 1, 2006.
<b>When You Become Eligible to Receive a Benefit</b>	You are eligible to receive a retiree health reimbursement account benefit when you retire after age 60 with at least <b>10</b> years of continuous full-time University service immediately prior to retirement.
<b>What Your Retiree Health Reimbursement Account Benefit Will Be</b>	<p>You will have access to a Retiree Health Reimbursement Account that you can use to assist with health care expenses during retirement. The account is calculated as follows: You accumulated \$2,750 for each year of full-time University service worked after age 50 (15 year maximum), including an interest credit of 3% for each year, <i>through 2018</i>. <b>No contributions or interest credits will be made after December 31, 2018.</b></p> <p><b>Example:</b> If you are age 60 with 20 years of full-time service as of July 1, 2018, your account will be valued at approximately \$31,500 (\$2,750 for each of 10 years of service after age 50 plus 3% interest credit for each year).</p>
<b>How You Can Use the Benefit in Retirement</b>	You will have access to the entire account balance immediately to be reimbursed for eligible health care expenses that are not covered by any other plan. In other words, you may draw down the balance over time to pay for the following: monthly premiums for a health plan including premiums for a spouse's health plan; coverage under Medicare and/or Medigap policies; copayments; prescription drug expenses; and more. When the account is depleted, you are responsible for paying 100% of your future health care costs.



<b>Key Features</b>	<b>Access to Retiree Health Reimbursement Account Balance</b>
<b>How the Value Grew</b>	<p>Prior to January 1, 2019, if you accessed the entire balance immediately for reimbursement of qualified expenses, the value of the account grew through annual interest credits at a fixed rate of *3% on the remaining amount in the account.</p> <p><i>*The 3% interest rate was eliminated on December 31, 2018. After this date, the account balance will no longer grow.</i></p>
<b>Whose Expenses May Be Covered</b>	<p>You may pay for the cost of coverage for you and your spouse. However, the amount of your Retiree Health Reimbursement Account will not increase if you are married or if you have eligible dependents.</p>
<b>What Happens if You Die</b>	<p>When you die, your surviving spouse (who you elected as alternate at time of retirement) will continue to have access to any money remaining in the account to pay for eligible health care expenses. The balance is NOT vested and will not be paid to your estate upon your death.</p> <p>If your spouse remarries, then he/she will no longer have access to the account balance.</p>
<b>Changes to the Plan</b>	<p>Loyola terminated annual contributions and interest credits to the plan on December 31, 2018. The University reserves the right to change, alter, or amend benefit plans at any time.</p>
<b>Tax Implications</b>	<p>There are no tax implications with this plan. If you have tax questions, please check with own tax advisor.</p>
<b>Administration of the Retiree Health Reimbursement Account</b>	<p>After you retire, Via Benefits (Loyola's retiree benefits administrator) will handle the administration of the Retiree Health Reimbursement Accounts.</p>
<b>Paperwork &amp; Decision</b>	<p>Once you decide to retire, please contact Human Resources at <a href="mailto:benefits@luc.edu">benefits@luc.edu</a> to discuss the account and administration.</p>