



The Drexel University Health Reimbursement Arrangement

Save today for a healthier tomorrow

As you get older, healthcare costs are likely to take up a larger portion of your budget, and Medicare may not be enough. Drexel University established the Health Reimbursement Account (HRA) to help you prepare and pay for medical expenses in retirement.

This plan complements your retirement program and offers tax advantages when you retire:

- Tax-free employer contributions
- Tax-free investment earnings
- Tax-free reimbursement for qualified medical expenses during retirement

How it works

A tax-advantaged retirement healthcare account

Money is set aside now to help you pay your healthcare costs in retirement.

A tax-free reimbursement benefit

When you retire, money in your account can be used for a variety of qualified medical expenses such as:

- Health insurance premiums
- Copayments and deductibles
- Prescription drugs
- Other expenses as defined by the Internal Revenue Service

Your benefits

- Easy online access to account and investment information
- Dedicated toll-free customer service center
- Healthcare payment card
- Ability to establish and manage recurring claims online
- No per transaction fee when claims are submitted
- Reimbursement for qualifying expenses for you, your spouse domestic partner and dependents



Questions? Call us at **877-554-1004**, weekdays, 8 a.m. to 10 p.m. (ET)

- Select option 1 to speak with a TIAA representative regarding your account balance, asset allocations or claims activation
- Select option 2 to speak with an Optum representative for questions related to claims processing, using your healthcare payment card or eligible expenses



- Download the TIAA app or log in to the **tiaa.org** website:
- Check account balance
- View pending transactions
- Transfer funds

About the plan

Eligibility	An employee of the university who was eligible for and elected to participant in the Drexel University 2024 one-time voluntary retirement offer plan.
Contribution schedule	Drexel University will make a one-time contribution to your account in the amount of \$25,000.
Vesting	The account is 100% vested.
Entitlement	Once you retire from employment with Drexel University, you may access the account for qualified medical expenses. You may also use the account for your eligible dependents as defined below.
Benefits after death	After your death, your spouse or domestic partner and eligible dependents may continue to receive reimbursement for their qualified medical expenses if allowed under your plan’s rules. However, if there is no surviving spouse, domestic partner or eligible dependents, any unused benefits, including your own after-tax contributions, will be forfeited.
Investments	Initial contributions will be invested in a Nuveen Lifecycle Fund that has a date closest to the year you will turn age 65. Keep in mind that, as with all mutual funds, the principal value is not guaranteed at that target retirement date or any other time. Once your account is established, you will have the opportunity to change your investment option(s) if you so choose. Please keep in mind that you will need to have funds in the Nuveen Money Market Mutual Fund in order to be reimbursed for claims or to use the debit card.

Q&A for the Drexel University Health Reimbursement Account (HRA)

Q: When will I be able to access my Drexel University HRA?

A: You will be eligible to access your HRA once you retire from Drexel University. Upon receipt of your retirement date from Drexel University, the HRA will be updated to reflect an “entitled” status, meaning that you, as the account holder, along with your spouse and/or eligible dependents, will be entitled to receive benefits from the account.

Q: What is Claims Activation?

A: Claims Activation is your notification to TIAA that you are ready to begin using your HRA—you are moving into “claims active” status. Subsequently, you will receive a package in the mail—typically within 7 to 10 days—with a healthcare payment card/debit card which can be used to pay for qualified medical expenses (QME), along with instructions on how to file claims for reimbursement of QMEs.

Q: What are QMEs? For what type of medical expenses can HRA funds be used?

A: HRA funds can be used for reimbursement of QMEs such as medical and insurance copays; qualified long-term care premiums; Medicare and insurance deductibles; prescription drugs; health insurance premiums; hospital and surgical expenses; COBRA bills; vision, hearing and dental costs; and other eligible expenses as defined by the Internal Revenue Service.

INCOME SECURITY
+
HEALTHCARE
SECURITY
=
RETIREMENT
READINESS

Once you retire, the healthcare payment card, which works like a debit card, offers a convenient way to pay qualified medical expenses directly from your plan account.

Q: What is Optum Financial?

A: Optum Financial is the claims administrator who processes HRA reimbursement claims on behalf of TIAA. The Optum Financial website is integrated with the TIAA website so you only have to log in once to view your accumulation data and claims data.

Q: Can I get more than one healthcare payment card?

A: Yes, you can get more than one healthcare payment/debit card. Additional cards can be requested through the secure web portal at tiaa.org or by calling **877-554-1004** and selecting option 2 to speak with a representative.

Q: I attempted to use my card at the pharmacy today, but it was declined. What is the problem?

A: Your healthcare payment/debit card transaction was likely declined because there were insufficient funds in your Nuveen Money Market Mutual Fund to cover the expense. In order to use the healthcare payment card, or to be reimbursed for submitted expenses, you must have sufficient accumulation in the Nuveen Money Market Mutual Fund to cover the expenses. A card transaction can also be declined if it is not being used at merchant locations that are designated as healthcare merchants based on their Merchant Category Code (MCC).

Q: Why must I transfer money into the Nuveen Money Market Mutual Fund in order to be reimbursed?

A: Retirees have numerous mutual fund investment options available within the plan. However, in order to receive reimbursement for claims, retirees will need to have funds in the Nuveen Money Market Mutual Fund. All HRA claim reimbursement requests are processed from the available account balance held in your Nuveen Money Market Mutual Fund; therefore, before you can receive reimbursement, you must either have an accumulation in or transfer funds into your Nuveen Money Market Mutual Fund. The Nuveen Money Market Mutual Fund provides relative stability to your available account balance to ensure sufficient funds are maintained to process your reimbursement.

Q: How do I move my funds into the Nuveen Money Market Mutual Fund?

A: You can move your funds into the Nuveen Money Market Mutual Fund by making an accumulation transfer on the tiaa.org secure website, or by calling **877-554-1004** and selecting option 1 to speak with a representative. Retirees can either move all funds from other mutual fund investments into the Money Market at the time they become claims active, OR Retirees can periodically move a partial amount of their funds each time they need to submit claim.

Q: I received a request to provide documentation for a healthcare payment card transaction at my local pharmacy. Why do I have to provide this information?

A: Although your healthcare payment card eliminates the need to file paper claims, the IRS requires that charges be verified so you will be asked to provide documentation. Always save your receipts so that your claims can be adjudicated.

Q: What happens if I do not submit my receipts to verify my purchases?

A: You will be notified by letter or email of the need to submit documentation to verify your purchases. If, however, you do not submit appropriate documentation within 45 days, your payment card will be suspended. You may be asked to pay back the unsubstantiated expense. Failure to substantiate or repay may also result in you being taxed on the amount of the expense.

Q: I need assistance filing claims online. Who can help me?

A: For assistance with filing claims online, contact **877-554-1004** and select option 2 to speak with a representative.

Q: Are reimbursement payments sent via a check or directly deposited into my bank account?

A: Direct deposit to your bank account can be set up through Optum Financial's website, and is the quickest and most secure method to receive reimbursements. Checks can also be mailed to your address of record.

Q: What if I incur a medical expense outside of the United States?

A: Claims for medical expenses incurred outside of the United States are eligible for reimbursement provided that they are translated to English prior to submission and submitted in English. Payment can only be mailed to a U.S. address, or directly deposited into a U.S. bank account.

Q: Can I name a beneficiary for my HRA?

A: No—there is no beneficiary designation for the HRA. The HRA is a health and welfare benefit, not a retirement benefit, so there is no lump-sum death benefit and no beneficiary named. If you die before using all of the funds in your account, the remaining funds may be used by your spouse or eligible dependents to cover his/her own QMEs.

Q: Who is considered a dependent?

A: The definition of dependent under the Drexel plan includes your spouse, domestic partner and any child who is under age 26. To be eligible, a domestic partner must be your dependent under Code section 152. For this purpose, a “child” includes your natural child, adopted child or a child placed with you for adoption.

Q: What happens if I die or divorce or terminate a domestic partnership?

A: If you die your surviving dependent(s) will continue to be eligible and your estate may be reimbursed for any QMEs incurred prior to your death. Participation by surviving dependent(s) will terminate when the account balance is reduced to \$0. A spouse from whom you are divorced or legally separated, a domestic partner following the dissolution of a domestic partnership or a child who attains age 26, may be reimbursed for QMEs incurred by such person during the first 36 months following the date of divorce or legal separation or attainment of age 26.

Q: What happens to my account balance if I don't have a surviving spouse or qualified dependents to use the account after my death?

A: If you die with no surviving spouse or dependents, any unused funds in your account will be allocated to the plan forfeiture account. This will be used to pay fees and expenses relating to the administration of the plan and also in providing benefits to other eligible participants.



You could lose money by investing in the Nuveen Money Market Fund. Although the Fund seeks to preserve the value of its shares at \$1.00 per share, it cannot guarantee it will do so. An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The Fund's sponsor has no legal obligation to provide support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time.

This material is for informational or educational purposes only and does not constitute fiduciary investment advice under ERISA, a securities recommendation under all securities laws, or an insurance product recommendation under state insurance laws or regulations. This material does not take into account any specific objectives or circumstances of any particular investor, or suggest any specific course of action. Investment decisions should be made based on the investor's own objectives and circumstances.

Interests in any retiree healthcare plan discussed herein are offered solely by the employer.

Teachers Insurance and Annuity Association of America (TIAA) will provide services to the plan and may issue plan communications on behalf of the plan sponsor, in its capacity as a plan recordkeeper.

Investing may not be suitable for everyone and before making any investments, you should carefully consider the investment objectives, risks, charges, and expenses of any mutual fund before investing. A prospectus and, if available, a summary prospectus containing this and other important information can be obtained by visiting the fund sponsor's website. Please read the prospectus carefully before investing.

The TIAA group of companies does not provide legal or tax advice. Please consult your legal or tax advisor.

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