

MissionSquare Retirement Health Savings (RHS) Plan Survivor Q&A

Q. What are the benefits of the MissionSquare RHS Plan?

A. The RHS plan provides a tax-advantaged way for the participant to accumulate assets for retirement health care expenses. Contributions go in pre-tax; earnings grow tax-deferred; and upon becoming benefit eligible, reimbursements for qualified medical expenses are tax-free.

Q. Why have assets transferred to a survivor account?

A. Upon the death of the participant, the participant's remaining account balance is transferred to an account for their spouse and/or eligible dependents' continued use to pay for qualified medical expenses as permitted by the plan.

Q. How do I request a reimbursement?

A. To submit a request for reimbursement, complete the *MissionSquare RHS Reimbursement Request Form* and submit it to Meritain Health, along with documentation of your expenses. The *MissionSquare RHS Reimbursement Request Form* is available from MissionSquare or Meritain Health. Alternatively, you can submit reimbursement requests and documentation by logging into your account at www.missionsq.org. Select your RHS plan and then Claims to get to the Meritain Health claims portal. Meritain Health will review your claim, making sure it's for a qualifying medical expense and that your account contains sufficient assets for reimbursement. Your request must be paid, suspended, or denied in writing within 30 days. Most claims are paid within a 10-day period.

Eligible recurring expenses, such as insurance premiums, may be set up with recurring reimbursements. As long as you have a balance in your RHS account, the payment will be made automatically to you. You must provide documentation of the recurring expenses with this request, and retain sufficient documentation to show that the recurring expense is a valid medical expense. You must notify Meritain Health when the expense is no longer being incurred, so that reimbursements can be stopped on a timely basis. Any changes to your payment must be received by Meritain Health at least 10 business days prior to the effective date of change.

Q. What are qualifying medical expenses?

A. The RHS plan allows reimbursement for any qualifying medical expense incurred by the participant, or the survivors defined as spouse and eligible dependents. Benefits eligible for reimbursement consist of all medical expenses eligible under IRC Section 213 other than (i) direct long-term care expenses, and (ii) expenses for medicines or drugs which are not prescribed drugs (other than insulin). Your plan may allow reimbursement for only one type of expense or for any combination of eligible medical costs.

Contact Meritain Health at (888) 587-9441 to obtain current information on the list of permissible health care expenses allowed for reimbursement by your RHS plan.

Q. Who is considered a dependent?

A. An eligible dependent is (a) the participant's lawful spouse; (b) the participant's child under the age of 27, as defined by IRC Section 152(f)(1) and IRS Notice 2010-38; or (c) any other individual who is a person described in IRC Section 152(a), as clarified by IRS Notice 2004-79. Dependent eligibility under IRS rules generally includes individuals who are either a qualifying child or a qualifying relative.

Visit www.irs.gov for more information on the definition of dependent. Generally, a *qualifying child* is any person who meets the following requirements:

- The person is your child or a descendant of your child; is your brother, sister, stepbrother, or stepsister; or is a descendant of any such relative;
- The person lived with you for more than half of the year;
- The person is under age 19 or under age 24 if a full-time student (age requirements do not apply to individuals who are permanently and totally disabled); and
- The person did not provide over half of his or her own support for the calendar year for which dependency is claimed.

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2 | MissionSquare Retirement Health Savings (RHS) Plan Survivor Q&A

A *qualifying relative* is any person who meets the following requirements:

- The person is related to you (see below) or lived with you for the entire year as a member of your household;
- You provided over half of the support for the person for the calendar year for which dependency is claimed; and
- The person is not a qualifying child of you or any other person.

A person will be considered related to you if he or she falls in one of the following classifications:

- Your son or daughter (or a descendant of either)
- Your stepson or stepdaughter
- Your brother, sister, stepbrother, or stepsister
- Your mother or father (or an ancestor of either)
- Your stepfather or stepmother
- Your nephew or niece
- Your aunt or uncle
- Your son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law

Q. What if a claim is denied?

- A.** If your request for reimbursement is denied, you will receive a written notice of the denial from Meritain Health that provides the specific reason for the denial.

You may appeal a denied claim. Generally, the appeals process will consist of the following steps:

- 1.** You submit a written request for a review of the denied claim to Meritain Health. Your request must be filed within 60 days of your receipt of the denial notice. You may also review documents regarding administration of the RHS plan, and you may submit issues and comments in writing. You are entitled to representation, if you desire, throughout the appeals process.
- 2.** Meritain Health will review your request within 60 days of receipt. Special circumstances can extend this to 120 days; you will receive a notice of extension.
- 3.** You will receive a written summary of Meritain Health's decision regarding your appeal, which will include specific reasons for the decision.
- 4.** If you are dissatisfied with the written decision, you may appeal your claim to the plan sponsor.

Q. What is the tax treatment of payments from the RHS account?

- A.** RHS benefits paid in the form of medical expense reimbursements will never be taxed to the participant, spouse, or eligible dependents. No income tax reporting or withholding is required, and you do not need to report any medical expense reimbursements on your income tax return.

Q. What fees does MissionSquare charge for the RHS plan?

- A.** An annual fee of \$25 will be charged to your account (\$6.25 per quarter). If your plan offers certain mutual funds, MissionSquare may also assess an asset-based fee. All RHS plan fees will be reflected on your quarterly statement, which contains complete and up-to-date fee information.

RHS fees are subject to change with appropriate prior notification.

Q. What are my investment options?

- A.** The RHS plan offers options that include actively managed, stable value, index, Model Portfolio, and lifecycle funds. At any time, you can direct the investment assets into any of the funds offered. You can review the investment options at www.icmarc.org/fundinfo by selecting Fund Information and entering the plan number, which is provided in correspondence from MissionSquare. For more information, contact MissionSquare at (800) 669-7400, or access your account at www.missionsq.org.

Q. Whom should I contact with other questions regarding my RHS account?

- A.** Depending on the nature of your question, MissionSquare and/or Meritain Health can assist you.

Meritain Health (888) 587-9441

- For all claim-related issues
- To change personal data (*also inform MissionSquare*)

MissionSquare Retirement (800) 669-7400

- For all account issues not claim-related
- To change personal data (*also inform Meritain Health*)