

## **Checklist for setting up a Qualified Single Employer Health Reimbursement Arrangement**

1. Read the Conner and Winters' QSEHRA News Alert from Jan. 1, 2017, to ensure your congregation qualifies. (For example, a congregation cannot offer group health plan. Employees must purchase their own health insurance, and then get reimbursed from the QSEHRA. People in the same class of employment status must be offered the same coverage.)
2. Look at the QSEHRA Plan Document template and assess which employees will be covered, which amount of an HRA they qualify for (depending on whether they pay for single or family health insurance coverage), and to identify all deadlines (such as the annual notice to employees that a QSEHRA will be offered, the allowable time period for paperwork to be filed for reimbursed expenses, and the time allowed for the employee to pay those expenses).
3. Determine whether the church Board or another group will serve as the Plan Administrator. Determine who or which group will serve as the Claims Administrator.
4. Determine if the employees' contracts need to be adjusted. If they do, work on that update between the congregation's governing body for personnel (Board or personnel committee) and the affected staff.
5. The Board –
  - a. Needs to approve the modified QSEHRA agreement to reflect the situation of that congregation.
  - b. Needs to approve which body will serve as Plan Administrator.
  - c. Needs to approve which person or body will serve as Claim's Administrator.
6. The affected staff needs to fill out the QSEHRA application.
7. A checking account needs to be set up to house the HRA contributions from the employer, and from which distributions can be made to the employee. These HRA monies should not be comingled with other funds.
8. Proof of paid medical premiums will be turned in by the employee to the claims administrator and, if approved, a reimbursement payment will be made.
9. The amount of funds contributed into the HRA by the congregation needs to be included on the employee's W-2 as an indication of the Health insurance benefit received by the employee.
10. Ensure that proper notices have been provided to employees within the required timeframe. See the sample QSEHRA Notice posted on BBT's website.

***There are many provisions, rules, and deadlines that are part of administering a QSEHRA. This list is presented to give congregations an idea of the issues that must be done and the issues that must be addressed. If a congregation does not want to lead itself through this process with assistance from legal or accounting professionals, it can engage a company like WageWorks to help it set up its QSEHRA plan for a fee.***