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## **Retirement Reimbursement Account (Local 396 & Local 1245 Only) Frequently Asked Questions**

This reference guide has been developed to assist you in answering questions pertaining to the Retirement Reimbursement Account (RRA) that was established on January 1, 2014 in the Local 396 and Local 1245 collective bargaining agreements. For further questions, please contact the Benefits Department.

### **General Information**

1. *Q: What is a Retirement Reimbursement Account?*

A: RRAs function much like health reimbursement accounts (HRAs) in that they can be used to pay for qualified medical, dental and vision expenses in retirement along with the out of pocket premium expenses and premiums associated with the NV Energy retiree medical plans. RRAs are notional accounts that do not require the Company to deliver funds until the retired employee requires reimbursement.

2. *Q: Where can I find a list of qualified expenses eligible for the RRA?*

A: The qualified expenses are in compliance with IRS Code Section 213(d) Medical Expenses which is also outlined in the RRA Summary Plan Description.

3. *Q: Can I use the RRA dollars to help pay for post-retirement health care premiums?*

A: Yes, upon qualified retirement from the Company, an employee may use RRA funds to pay for post-retirement health care premiums. RRA funds can be used for pre-65 and post-65 premiums as allowable by the IRS.

4. *Q: Who funds the RRA?*

A: The RRA is funded by the Company with a one-time contribution per the provisions of the collective Bargaining Agreement. You are not eligible to contribute dollars to the RRA account.

5. *Q: How is the account funded?*

A: Upon retirement, the Benefits Department will validate your account eligibility and the actual dollar amount associated with your applicable one-time deposit. You will receive a benefit confirmation statement at retirement that outlines the available dollar amount.

6. *Q: When is the account funded?*

A: Upon qualified retirement from the Company, an employee's RRA is funded typically within 30 days.

7. *Q: How is the amount calculated that will go into my account?*  
A: Upon qualified retirement, the calculation is comprised of a lump sum deposit which is based on years of service as outlined Section 13.11 of the Local 396 collective bargaining agreement and Title 22.5 of the Local 1245 collective bargaining agreement.
8. *Q: Can I use the RRA dollars to help pay for medical expenses in retirement for me and my spouse?*  
A: Yes, if both you and your spouse are covered under the Company's retiree medical plans.
9. *Q: Can my spouse use my RRA dollars to pay for their medical expenses?*  
A: Only if your spouse and you are covered under the Company's retirement medical plan.
10. *Q: If I pass away, can my surviving spouse continue to use the balance of my RRA for qualified expenses?*  
A: Yes, only for a one year period.
11. *Q: If I terminate my coverage on the Company retiree medical plan, can I continue to access my RRA funds?*  
A: No, separating from the plan will forfeit your RRA funds.
12. *Q: Can I cash out or invest my RRA?*  
A: No.
13. *Q: Is the RRA account interest bearing?*  
A: No.

### **Separation of Employment**

14. *Q: What happens to my account if I resign without a qualified retirement?*  
A: The RRA is forfeited.

### **RRA Covered Expenses**

15. *Q: Can I use RRA funds for over-the-counter medications?*  
A: Yes. A small select group of items may be purchased using RRA funds as outlined in IRS Code Section 213(d) Eligible Medical Expenses. A sample of items include antacids, allergy medications, pain relievers, cold medication, anti-diarrhea medication, cough drops and throat lozenges, sinus medications and nasal sprays, nicotine medications and nasal sprays, Pedialyte, first aid creams, calamine lotion, wart removal medications, antibiotic ointments, suppositories and creams for hemorrhoids, sleep aids and motion sickness pills. Before purchasing over-the-counter medications you should verify product eligibility to ensure proper use of your RRA funds since the IRS Code Section 213(d) is subject to change.

### **Retirement Account Logistics and Reimbursement**

16. *Q: Upon retirement, who administers my RRA account and how do I contact them?*

A: Your account is currently administered by PayFlex, an affiliate of Aetna. You may also log into your online PayFlex member portal account at PayFlexDirect.com to view your account balance, submit claims for reimbursement and enroll in direct deposit or as an Aetna member you can log into AetnaNavigator.com (by using click on “Access Your Account”). Customer service representatives are available Monday – Friday from 7 a.m. – 7 p.m. CT and on Saturday from 9 a.m. to 2 p.m. CT toll free at (888) 678-8242.

17. *Q: Does PayFlex offer direct deposit?*

A: Yes, you will need to sign up at PayFlex.com and you will receive your reimbursement as a direct deposit instead of a check.

18. *Q: Are reimbursements from my RRA taxable?*

A: No. Expenses reimbursed from your RRA are tax free.

19. *Q: Upon qualified retirement, when are funds available to withdraw from my RRA account?*

A: Funds will be approximately in your account 30 days from your retirement date.

20. *Q: Upon qualified retirement, how do I spend my RRA dollars on qualified expenses?*

A: Upon paying for an eligible expense with cash, check or personal credit card you then submit a claim for reimbursement. You can do this online, through the PayFlex mobile app or fill out a paper claim and fax or mail it to PayFlex. Once your claim is approved a check will be mailed to you.

21. *Q: Can my RRA be used to reimburse me for the cost of Post-Retirement Health Care Coverage.*

A: Yes, submit a reimbursement claim each month with copy of your payment coupon and proof of payment to PayFlex directly.

22. *Q: How would I be reimbursed while having Post Retirement Health Care Coverage?*

A: Your NV Energy post-retirement medical premium will not be automatically deducted from your RRA account. You are responsible for paying your medical premium and then submitting a reimbursement request, for your portion of the cost, along with a copy of your payment coupon and proof of payment directly to PayFlex.

23. *Q: What if I am on Medicare, can I get reimbursed for my Medicare Part B Premium?*

A: Yes, The first time you request a reimbursement during a new calendar you will need to complete a “Notice of Medicare Insurance Enrollment and Premium Deductions” form before submitting your claim. This form can found at the Department of Human Services. For the remaining calendar year you will only need to complete a claim form for ongoing reimbursements.