

WHAT IS MEDICAL REIMBURSEMENT?

A Self-Insured Medical Reimbursement Plan or “MERP” is considered a type of Health Reimbursement Arrangement or “HRA” and falls under IRS Code 105(b). These programs provide tax-free reimbursement of qualified employee medical & insurance expenses allowable under IRS Section 213(d). While premiums paid for Accident & Health Indemnity plans are not considered taxable income under IRS Code 106(a)

ARE BENEFITS LIKE THIS A NEW CONCEPT?

The short answer is NO! MERP’s have been available since the inception the original IRS HRA Codes from the mid 1970’s. Currently there are over a dozen companies throughout the United States offering varying forms of MERP’s with the largest totaling almost 380,000 subscribers. Estimates say around 1.2 million people now participate in Employer MERP programs including large groups like 3M, New Balance shoes, Save-A-Lot, Tim Hortons Mass Mutual & The YWCA!

WHY SHOULD MY COMPANY IMPLEMENT A WIMPER?

A MERP is a WIN-WIN for Employees & Employers unlike any other! The TOTAL Wellness Program allows you to implement benefits that drive healthcare education & savings for Employees & Employers alike. And with an average participation rate of over 70% Safe Harbor is engaging Employees better than any other Employee Benefit on the market! It’s is because we deliver measurable results!

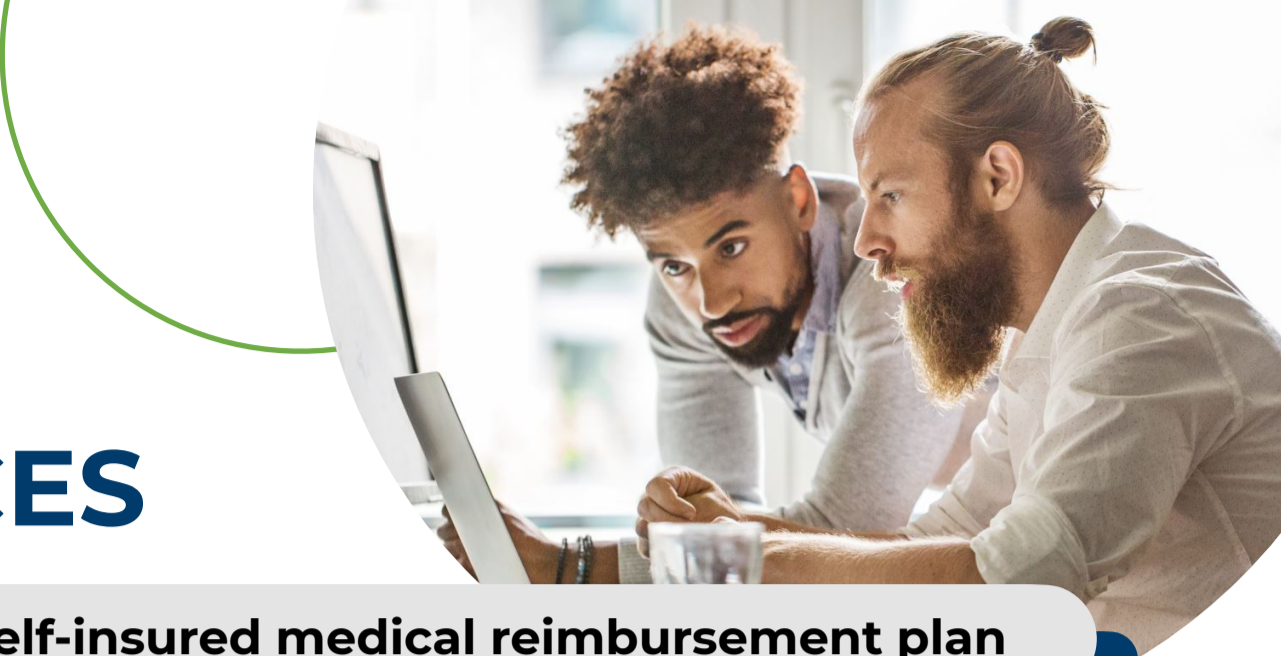
EMPLOYER = \$500+/YEAR PER EMPLOYEE GUARANTEED FICA SAVINGS

EMPLOYEE = INCREASED BENEFITS BY \$1800/YEAR WITHOUT CHANGING PAYCHECK!

WHY SAFE HARBOR HEALTH?

Safe Harbor Health is leading the way in MERP Benefits, Technology & Security. Our valuable Employee Benefits include 100% Free Telemedicine, Virtual Counseling, Health Assessments & a variety of Lifestyle Coaching/Challenges all available through our industry leading Wellness App/Portal. And because we value your safety our program proudly carries the industry leading HITRUST Certification!

ADDITIONAL INFORMATION REGARDING MERP PROGRAMS



EXTERNAL REFERENCES

26 CFR § 1.105-11 - Self-insured medical reimbursement plan

- A study by Cornell Law on the legality of SIMERP & Wellness Program implementation and compliance.

<https://www.law.cornell.edu/cfr/text/26/1.105-11>

IRS Section 105(b)

- This section of the IRS code highlights the Self Insured Medical Reimbursement Program or “MERP” and how the program & funds are treated.

www.irs.gov/newsroom/health-reimbursement-arrangements-hras

213 (d) Eligible Medical & Insurance Expenses

- This is a comprehensive list of all medical & insurance expenses that are acceptable under the SIMERP, Section 105(b) program.

<https://www.irs.gov/taxtopics/tc502>

IRS Section 106(a)

- This section of the IRS code highlights the tax treatment of money used to fund Accident & Health Premiums & Expenses. Income and Statutory Exclusions from Income

<https://www.irs.gov/pub/irs-drop/rr-82-196.pdf>

Office of Chief Counsel Internal Revenue Service Memorandum 201703013

- This is a 2017 IRS Chief memo that responds to your request for assistance.

<https://www.irs.gov/pub/irs-wd/201703013.pdf>