



**FOREST LAKE AREA SCHOOLS
FOREST LAKE, MN 55025**

November 7, 2013

AGENDA ITEM: 9.13

**TOPIC: APPROVAL OF LIMITED SCOPE HEALTH
REIMBURSEMENT ARRANGEMENT (Dental & Vision)**

BACKGROUND: The School Board has historically approved the development of health and welfare plans for employees. Due to requirements of health care reform found in the Federal Affordable Care Act, the school district is required to cease contributions to the “standalone” Health Reimbursement Arrangement (HRA) managed by Benefit Consulting Services.

PROCESS: The Federal Affordable Care Act allows integrated HRA’s, retiree only HRA’s and limited scope HRA’s. The Federal Affordable Care Act does not allow “standalone” HRA’s such as the one managed by Benefit Consulting Services. The administration has recently been settling employee contracts with an anticipated deadline of January 1, 2014 for compliance with these requirements. Of course, that deadline could be extended as many other provisions of the Affordable Care Act have been delayed.

RECOMMENDATION: The administration recommends approval of the attached Limited Scope Health Reimbursement Arrangement.