

# Survivor Benefits

[Click here](#) to view the below information as a flow chart.

## If You Pass Away With a Surviving Spouse

If you pass away, your surviving spouse may continue to use any remaining vested account balance to reimburse medical care expenses incurred by him or her and any other dependents (as defined by the Plan). Additionally, your surviving spouse may also file claims for any medical care expenses you incurred prior to your death. All of these reimbursements will be tax-free.



## If You Pass Away With No Surviving Spouse

If you pass away and have no surviving spouse or if, after your death, your surviving spouse passes away, the estate representative can spend down your remaining available account balance by filing claims for any unreimbursed medical care expenses you or your spouse or dependents may have incurred prior to your and/or your spouse's death. All of these reimbursements will be tax-free. In the unlikely event funds remain after all unreimbursed medical care expenses have been reimbursed, your account may be transferred to certain survivors. Read **Continued Coverage for Certain Survivors** below for more details.

## Continued Coverage for Certain Survivors (Surviving Account Holders)

Once you and your surviving spouse (if any) have both passed away, your account may be transferred (inherited) only once to certain survivors (also referred to as **Surviving Account Holders**). After all final claims for you and your spouse have been reimbursed, any remaining vested account balance will be split equally and transferred to one or more Surviving Account Holders in the following order:

- **First Level Surviving Account Holders – Dependents and Adult Children:** Your account balance will be split equally among all of your surviving dependents and adult children. Surviving dependents and adult children can use these funds to reimburse only their own medical care expenses. ***Coverage for non-dependent adult children is taxable. Coverage for dependents will become taxable on January 1 of the year after they turn age 26 or if they otherwise lose dependent status.***
- **Second Level Surviving Account Holders – Designated Beneficiaries:** If you have no dependents or adult children who survive after both you and your spouse pass away, any remaining vested account balance will be split equally among one or more of your designated beneficiaries (if any), who were designated by you prior to your death. You can designate beneficiaries below under the **How to Designate Beneficiaries** section. ***Coverage for non-dependent designated beneficiaries is taxable.***

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**QUESTIONS?** Please contact us at [customer@hraveba.org](mailto:customer@hraveba.org) or **1-888-659-8828**. One of our customer care representatives will be happy to help you.

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- **Last Level Surviving Account Holders – Surviving Heirs:** If you have no dependents, adult children, or designated beneficiaries who survive after both you and your spouse pass away, or if we are unable to locate any of these survivors, then your account will be split equally among certain surviving heirs in the following order of priority:

First: To any of your surviving grandchildren.

Second: If there are no surviving grandchildren, then to any of your surviving siblings.

***Coverage for non-dependent surviving heirs is taxable.***

### Redistribution among Surviving Account Holders

If a Surviving Account Holder passes away, any funds remaining in the Surviving Account Holder's account will be reallocated equally among any other Surviving Account Holders who have active accounts.

### Forfeiture of Account Balance

If, after you and your surviving spouse (if any) have both passed away, and there are no surviving dependents, adult children, designated beneficiaries, or surviving heirs, then any remaining account balance will be forfeited according to Plan rules.

If a Surviving Account Holder passes away with a remaining account balance and there are no other Surviving Account holders to whom the remaining balanced could be reallocated, such funds will be forfeited according to Plan rules.

### How to Designate Beneficiaries

To designate a beneficiary, log in to your account at [hraveba.org](http://hraveba.org). Click **My Profile** on the menu bar. Click the **Beneficiaries** tab and follow the instructions.

Please note the following:

1. **Do not designate your spouse or any of your dependents or non-dependent adult children as beneficiaries.** Name one or more beneficiaries other than your spouse, other dependents, or adult children. These individuals will automatically have continued rights to any remaining account balance after your death, according to Plan rules.
2. Your designated beneficiaries will be entitled to any remaining balance in your account only if you have no surviving dependents or adult children after you and your spouse pass away.
3. If you name more than one beneficiary, your remaining account balance will be split equally among your designated beneficiaries.
4. Coverage for designated beneficiaries is taxable.
5. You should review your named beneficiaries at least annually.
6. You can update or delete your beneficiary designation information at any time.



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