

Date: July 3, 2008

Code: TECHNICAL LETTER
HR/Benefits 2008-05

To: Human Resources Directors
Benefits Representatives

From: Bruce Gibson 
Senior Director, Systemwide Benefits
Human Resources Administration

Subject: Internal Revenue Service Change to Mileage Rate for Medical Expenses

Overview

Audience: Benefits Officers or campus designee responsible for administering the Health Care Reimbursement Account Plan

Action Item: None (Information only)

Affected Employee Group(s)/Unit(s): All CSU employees participating in the Health Care Reimbursement Account

Summary

The Internal Revenue Service (IRS) standard mileage rate for medical expenses has increased from \$.19 per mile to \$.27 per mile, effective July 1, 2008.

This Technical Letter should be reviewed in its entirety by Benefits Officers and any campus designee responsible for the administration of the Health Care Reimbursement Account.

This Technical Letter is written to update campuses with the new IRS standard mileage rate reimbursement amount for the Health Care Reimbursement Account plan. Effective July 1, 2008, the IRS increased the standard mileage rate for the cost of operating an automobile for medical reasons from \$.19 per mile to \$.27 per mile.

You may view this information on the IRS Website at: <http://www.irs.gov/pub/irs-drop/a-08-63.pdf>.

Participants who submit medical reimbursement claim(s) requests for mileage incurred on or after July 1, 2008 to ASI, the third party administrator, will be reimbursed at the increased rate. ASI will notify participants of the mileage rate change via the quarterly statements that will be mailed during the first week of July 2008.

Questions regarding this Technical Letter may be directed to Human Resources Administration at (562) 951-4411. This Technical Letter is also available on the Human Resources Administration Web site at: <http://www.calstate.edu/HRAdm/memos.shtml>.

BG/lmb

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