

Date: December 18, 2008

Code: TECHNICAL LETTER  
HR/Benefits 2008-17

To: Human Resources Directors  
Benefits Officers

From: Bruce Gibson   
Senior Director, 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 (HCRA) 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 will decrease from \$.27 per mile in 2008 to \$.24 per mile, effective January 1, 2009. This Technical Letter should be reviewed in its entirety by Benefits Officers and any campus designee responsible for administration of the Health Care Reimbursement Account.

This Technical Letter notifies campuses of the 2009 standard mileage rate reimbursement amount for the Health Care Reimbursement Account (HCRA) plan. Effective January 1, 2009, the IRS will decrease the standard mileage rate for the cost of operating an automobile for medical reasons from \$.27 per mile to \$.24 per mile.

You may view this information on the IRS Web site at: <http://www.irs.gov/newsroom/article/0,,id=200505,00.html>.

Participants who submit medical reimbursement claim(s) for mileage incurred on or after January 1, 2009, to ASI, the third party administrator will be reimbursed at the reduced rate.

CMS Processing Instructions

This Technical Letter communication has no impact to CMS Baseline.

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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