

# About Health Savings Accounts (HSAs)

## Account Options and Details



### Account Options

#### What is the best way to use my HSA?

Starting with your very first deposit, you can invest your account in your choice of low cost, high quality mutual funds. That means there's no minimum balance required to invest. However, note that investment products are not insured by FDIC or any federal government agency. Investments may lose value, and they are not guaranteed by the bank or any bank affiliate.

The cash account is an interest-bearing savings account with optional debit card. The interest you earn in the cash account increases as your account balance increases. The cash account is FDIC insured, and there are no monthly low balance fees. Please note that the debit card cannot access the investment account; however, you can easily move funds between the investment account and cash account online.

#### How do I contribute?

You may contribute online, via pre-tax payroll deduction or by mail.

To contribute via pre-tax payroll deduction, contact your employer. If your employer has a Section 125 Cafeteria Plan, they should be able to deduct your contributions from your paycheck on a pre-tax basis, which decreases your taxable income.

#### How do I transfer/rollover funds from another HSA?

To transfer funds from another HSA to your new HSA:

- Complete our Transfer Request Form. After completing and returning the form, please allow 4 – 6 weeks for your request to be completed.
- When we receive your transferred funds, the money will be allocated according to your investment elections. If you have not set up your elections, the money will remain in your cash account until you decide to transfer funds to your investments.

#### How do I withdraw funds?

You may withdraw funds online, via your debit card or by mail or fax.

#### When will I receive statements?

If you have a cash account, an electronic statement will be posted to your online account each month and you'll be notified via email.

If you have investments, your statement will be sent in the mail each quarter. If you've opted to receive your statements electronically, you'll be notified via email when your statement has posted to your account.

If you have both cash and investments, you will receive monthly email notifications and your quarterly statement in the mail. If you've opted to receive your quarterly statement electronically, you'll be notified via email when it's been posted to your account.

#### When will I receive tax forms?

- Form 1099-SA is mailed at the end of January.
- Form 5498-SA is mailed at the end of May.

### Investment Questions

#### Why should I invest my HSA?

On average, Medicare covers about 59% of healthcare costs, leaving you to cover the remaining 41% from your retirement savings. Studies indicate that the average couple retiring at 65 years old today will need anywhere from \$147,000 – \$245,000 to cover these expenses. This demonstrates why it's important now, more than ever, to efficiently save for these future expenses.

#### Is there a limit on the number of funds in which I can invest?

No. You can invest in any funds available through your plan.

## Debit Card Options

### When will I receive my card?

If you choose to receive a debit card, your card will arrive in the mail within 5 to 7 business days of opening your account.

### How do I activate my card?

Simply dial (855) 284-0673 from the phone number we have on file and follow the prompts.

### How do I change or select a new PIN?

You will select a personal identification number (PIN) during debit card activation. Primary accountholders and their authorized signer(s) share the same PIN. You can change the PIN by calling (855) 284-0673 from the phone number associated with your account.

### Where is my card accepted?

Your debit card is accepted at ATMs and by medical providers who accept Visa® (e.g., doctors' offices, pharmacies, medical supply stores, etc.).

### Why doesn't my card work at certain locations?

To safeguard against improper or accidental use, debit cards are restricted to merchants that provide medical products and services. If you need to make a purchase from a non-medical merchant for an eligible medical expense, you may purchase the product or service out-of-pocket and reimburse yourself later from your HSA.

### How can I pay for medical expenses without being charged a transaction fee?

After you receive a bill for a qualified medical expense, fill in your debit card number on the payment form and return your payment to the address noted on the bill.

### Are there limits on how much I can spend on my card?

Yes. For your security, there is a daily limit of \$2,000 for point-of-sale purchases and \$500 at ATMs. If you need to pay a larger medical expense, contact us to request a temporary limit increase. Remember that funds are deducted from your cash account, so you must have sufficient funds in your cash account to cover the expense(s).

### What if I don't have enough funds in my HSA to purchase what I need?

You have options! You can pay part of the expense from your HSA and the remaining portion using another payment method. You can also pay the entire expense using another payment method and reimburse yourself later from your HSA or ask the medical provider to set up a payment plan.

### Is it possible to overdraw my account?

Yes, it's possible to overdraw your cash/debit account and incur fees if your HSA does not have sufficient funds to cover the transaction when processed. To avoid fees, we strongly encourage you to monitor your account balance and debit card purchases.

### What if I use my card for an ineligible expense?

If you use your debit card for a non-qualified medical expense, you must report the expense on your income taxes and are subject to income tax and a 20% penalty. To prevent this, complete and submit our Distribution Reversal Form before filing your taxes on April 15.

### Who do I notify if my card is lost or stolen?

Contact us immediately at (888) 858-2739.