

# Health Savings Account



## Health Savings Account (HSA)

We are pleased to offer you the Health Savings Account (HSA) as an option. This program is designed to give you greater control in managing your health and funding your health care services. Keep in mind; you can only contribute to an HSA if you enroll in an HSA Qualifying Plan: **BCBSM Simply Blue HSA PPO Silver \$3000 Plan and BCN HSA HMO Silver \$3000 Plan**

## What is a Health Savings Account (HSA)?

An HSA combines a high-deductible health insurance plan with a tax-free individually owned savings account. Money in the savings account can help pay for your qualified medical expenses, or you can save and use it for qualified medical expenses once you retire. The **balance in your health savings account rolls over from year-to-year**, and the account earns interest and is yours to keep, even if you leave the company.

## What are the Benefits of a Health Savings Account (HSA)?

HSAs are designated to provide participants with triple federal tax benefits. The following are tax-free:

- 1) HSA contributions;
- 2) Interest and other earnings on HSA contributions; and
- 3) Amounts distributed from an HSA for qualified medical expenses.

## Who is Eligible for a Health Savings Account (HSA)?

### Anyone who is:

- Covered by a high-deductible health plan (HDHP);
- Not enrolled under another medical plan that is not an HDHP;
- Not entitled to (eligible for AND enrolled in) Medicare benefits; and
- Not eligible to be claimed on another person's tax return.



## Employee Contributions

You can make contributions to your HSA through regular payroll deductions. You may change the amount you contribute through payroll at any time. Please see Human Resources for assistance.

How Much Can I Contribute to my HSA?	2020	2021
Single Coverage	\$3,550	\$3,600
Family Coverage	\$7,100	\$7,200
Catch-Up Contributions*	\$1,000	\$1,000

*\*If you are age 55 or older, you can make an additional catch-up contribution.*

**Note:** The maximum IRS contribution for the year includes the sum of all employee and employer contributions. For more information visit <https://www.irs.gov/publications/p969>.

## SAMPLE OF HOW YOUR HSA WORKS

You or a dependent incurs an eligible health care expense:



You receive a bill for the deductible or coinsurance owed

You pay out of pocket; or  
You pay with your HSA until the fund is exhausted;  
Then you pay out-of-pocket

*This Benefits Guide is intended to provide a general summary of benefits but does not include all coverage details or plan requirements. The terms of the plan are governed by legal plan documents, including but not limited to Summary Plan Descriptions (SPDs), insurance contracts and certificates of coverage. Please refer to the legal plan documents for detailed information regarding your benefits. While every effort was taken to ensure the accuracy of the information in this Benefits Guide, errors are always possible. In the event of a discrepancy between the Guide and the plan documents, the terms of the plan documents will prevail.*