

HSA Welcome Kit

Your HSA is a tax-sheltered account that you own and manage yourself. It can help you pay for qualified medical expenses now and in the future. The information and forms in this Welcome Kit will help you use your account.

Let's Get Started

To access your account, log in to your member website (noted below and in the letter) and click on the **Spending** tab. From there, you'll be able to view your account balance, pay claims and contribute to your account.

Your Health Care Visa® Debit Card

When you receive your health care Visa debit card in the mail, simply activate your card by calling the number on the label affixed to the card and following the prompts.



Your debit card is not issued with a PIN option and may not be used at any ATM or for cash-back transactions.

How to Fund Your HSA

There are three ways to contribute to your HSA through the member website.

Individual Contributions

You can contribute to your HSA by making online electronic deposits either from your personal checking or savings account. Or, you can mail a check along with an HSA Contribution Form, which is included with this Welcome Kit.

Payroll Deduction

If you signed up for HSA payroll deduction through your employer during Open Enrollment, the amount you elected will be deposited into your HSA on a pre-tax basis each pay period.

Rollover Contributions

If you have an HSA with another financial institution, you may move those funds into your new HSA. Download the Trustee-to-Trustee Transfer In Form from the member website to begin the process.

How to Get Reimbursed

There are three convenient ways to use the money in your HSA to pay for qualified medical expenses.

HSA Visa Debit Card

Use your Visa debit card to pay for qualified medical expenses at most pharmacies and physician offices, typically wherever Visa is accepted. Be sure to select **Credit** at the register — no PIN is issued with this card. Amounts will be automatically deducted from your HSA, up to the balance of your account.

Provider Payments

Making payments to your health care providers has never been easier. When you receive an invoice from a provider for a qualified medical expense, you can request your provider be paid directly from your HSA — like an online bill payment service.

Enter Expenses Online

There may be times that you cannot use your Visa debit card to pay for qualified medical expenses. For example, if a merchant or provider does not accept Visa debit cards, you can pay for the products or services out of your own pocket and pay yourself back from the funds in your HSA. You can sign up for direct deposit and you will receive a fast and secure electronic deposit directly into your personal checking or savings account.



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HSA Tax Information

In the next tax year, you will receive Form 1099-SA (account distributions) and Form 5498-SA (account contributions) for your records. If you over-contribute to your HSA during the calendar year, you will need to complete IRS Form 8889 and pay taxes on the excess contributions made above the yearly maximum amount permitted by the IRS. Please consult your personal tax adviser for questions regarding your HSA and the filing of your tax returns.

To learn more about taxes and your HSA, visit the U.S. Treasury Department's website at [treasury.gov/resourcecenter/faqs/taxes/pages/health-savings-accounts.aspx](https://www.treasury.gov/resourcecenter/faqs/taxes/pages/health-savings-accounts.aspx) and refer to Publication 969.

Review the enclosed **Health Savings Account Disclosure Statement** for more HSA information. Consult with your tax adviser if you have questions about how the HSA will benefit you.

Manage Your Account Online

You can access your HSA anytime through the member website. In this convenient, central location you can:



- View deposits, transactions and claims
- Schedule personal after-tax contributions to your account
- Enter claims to be paid back for your out-of-pocket costs
- Pay a care provider directly from your account
- Invest your HSA funds once your balance reaches \$500
- Request an additional Visa debit card for your spouse or dependents
- Compare care costs and save with our Cost Savings Tools

Invest in Your Account

When you contribute to your HSA, funds are deposited into your HSA cash account (FDIC-insured) and begin to earn interest right away. Once your HSA balance reaches \$500, you may invest any portion of your balance above that level.* You have a wide selection of mutual funds** — from conservative options, such as a U.S. Treasury fund, to more aggressive stock funds. Simply follow the online prompts to set up your HSA investments. You can find the HSA Investments Guide from Bank of America, the HSA custodian, on the member website.

HSA-Qualified Medical Expenses

You are responsible for ensuring debit card purchases, claims and provider payments are only for covered individuals' qualified medical expenses. You cannot receive tax benefits on ineligible expenses.

You can find a complete list of qualified medical expenses and products that you can purchase with your HSA on your member website on the **Spending** tab.

Be sure to save your health care receipts. You can use receipts for qualified medical expenses incurred this year to make HSA withdrawals in future years. The IRS may request validation of any tax-free withdrawals you make this year or in future years when you have an HSA. Be certain your receipt shows the date of service, type of qualified medical expense and cost of the products or services.

Using Your HSA in the Future

Certain major life events can affect your HSA contributions and how you access your funds.

- At age 55, as long as you still qualify to contribute to the HSA, you will be able to contribute additional dollars above the annual IRS limit. These amounts, adjusted annually by the IRS, are called "catch-up" contributions.
- At age 65, you can use your HSA as extra retirement income to pay for health insurance premiums and other non-eligible expenses without tax penalties. (Distributions for these non-qualified expenses, will, however, be subject to income taxes.) If you continue to use the money as usual to pay for eligible health care expenses, it's still tax-free.
- If, at any age, you enroll in Medicare, you are no longer able to contribute to an HSA but may continue to access your HSA balance for tax-free payment of qualified medical expenses.

If you wish to maintain an HSA with us after you end medical coverage with us, or move from a qualified high-deductible health plan to a non-qualified plan with the same employer or a new employer, you will be responsible to pay monthly HSA administration fees. Please see the current fee schedule in this Welcome Kit. Just remember, the funds in your HSA are yours and travel with you if you leave your employer or your health plan, or even when you retire.

As you continue through life, your HSA funds grow from interest and/or investment earning, creating a greater nest egg for you.

Have Questions?

Call the Member Service number on the back of your medical insurance card or HSA debit card.



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