CalCPA Health
Health plans for CPAs since 1959

Why HSA?

HSAs empower savings now and for the future

How Health Savings Accounts (HSAs) Work

CalCPA Health's HSA plans provide members a unique program which offers low HDHP premiums combined with integrated banking and health claims administration through HealthEquity. When an HSA is paired with an HSA qualified health plan, you are able to make tax-free* contributions to an FDIC-insured savings account. Typically, these plans cost less than traditional plans and provide tax saving opportunities. *The HSA funds can be used for health expenses under the HDHP deductible or for other healthcare expenses allowed under IRS Code 502.*

HealthEquity's commitment to building health savings is reflected in their amazing customer service and the expert advice they offer on how to benefit the most from your health accounts.

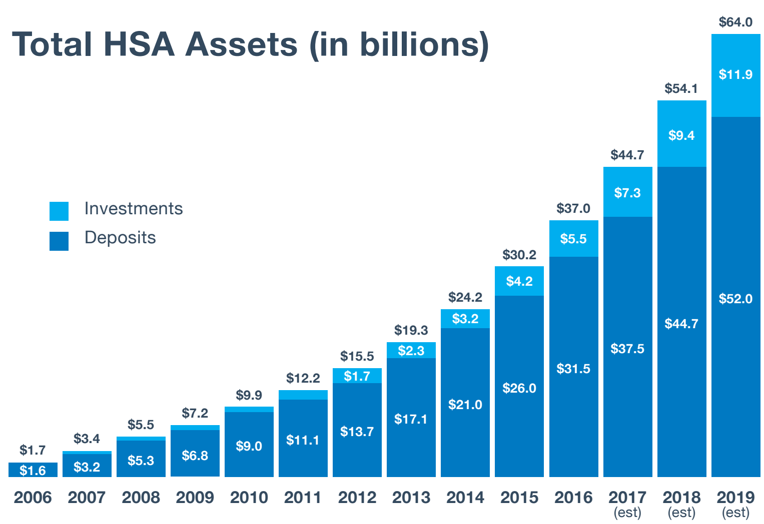
Enrollment in CalCPA Health's HSA Plans is Growing at a Fast Pace – here are a few reasons why:

- Tax advantaged contributions, investment accumulations and withdrawals
- Save up for future qualified medical bills – both expected and unexpected
- Integrated banking and health claims administration
- Allows you to set aside pre-tax dollars to pay for qualified medical costs

HSA Funds continue to grow

With an HSA, you own the account and the contributions. The entire HSA balance rolls over each year - even if you change your job, your health plan or if you retire. Your HSA plan can empower you to grow your savings and build for your future.

Total HSA Assets (in billions)



Source: Devenir Research

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* HSAs are never taxed at a federal income tax level when used appropriately for qualified medical expenses. Also, most states recognize HSA funds as tax-free with very few exceptions. Please consult a tax advisor regarding your state's specific rules.

Frequently Asked Questions About HSA's

What is an HSA and how does it work?

A health savings account (HSA) is a special savings account designed exclusively to pay for or reimburse your current or future qualified medical expenses.

What are the advantages of an HSA?

- Your contributions are pre-tax or tax-deductible.
- Interest earned is tax-free.
- Withdrawals for qualified medical expenses are tax-free.
- Unused funds and interest are carried over each year.
- You own the HSA. The balance is yours to keep, even if you change jobs.

Who is eligible for an HSA?

An eligible individual is anyone who:

- Is covered under a high deductible health plan (HDHP).
- Is not covered by any other plan that is not an HDHP.
- Is not currently enrolled in Medicare Part A or Part B or TRICARE.
- Has not received medical benefits through the Department of Veterans Affairs (VA) during the preceding 3 months.
- May not be claimed as a dependent on another person's tax return.

Why would I want a HDHP?

Through a High Deductible Healthcare Plan (HDHP), you can lower your premiums. If you have high Rx costs, you can limit your exposure. If you have little to no medical costs, you can limit your exposure to catastrophic situations.

What is the HDHP deductible and out-of-pocket needed to qualify for an HSA?

Coverage Tier	Minimum Deductible	Maximum OOP
Single	$1,350	$6,650
Family	$2,700	$13,300

In order to qualify for an HSA, the deductible on your HDHP has to be higher than the amounts listed above. Please note: you can enroll in an HDHP and not use a HSA.

Who can contribute to the HSA account?

Anyone can contribute to the HSA of an eligible individual. The employer, employee and family members are allowed to contribute to an eligible individual HSA.

How much can I deposit into my HSA account each year?

Year	Single	Family
2017	$3,400	$6,750
2018	$3,450	$6,900
2019	$3,500	$7,000

Primary accountholders who will be 55 years of age (or older) by the end of the current tax year can make additional catch-up contributions of $1,000 to their health savings account.

What if one spouse is on Medicare?

Given a situation in which either spouse enrolls in Medicare part A or B, that individual can no longer contribute funds to his or her HSA. However, if the other spouse is enrolled in an HDHP and not in Medicare, they would still be eligible to contribute to their HSA. Both individuals can still use the existing funds in the HSA account to pay for qualified medical expenses.

What can I spend the money in my HSA account on?

The funds can be used to pay for qualified medical, dental, vision and prescribed prescription drug expenses. Health insurance premiums are not qualified expenses. Funds can also be used to pay for qualified expenses of spouses and dependents even if they are not covered by the HDHP. Premiums for COBRA, Medicare and qualified long-term care premiums can be considered qualified expenses. For a definitive list of qualified medical expenses, visit www.irs.gov.

When I turn 65, what can I spend the funds in my HSA on?

For people 65 with existing HSA accounts, the funds can be used to pay out-of-pocket medical expenses including Medicare premiums, deductibles, coinsurance, and co-pays--but not expenses associated with Medigap coverage.

What are the penalties for early withdrawal or for non-medical use of funds?

Funds can be withdrawn for any reason, but withdrawals that are not for documented qualified medical expenses are subject to income taxes and a 20% penalty. The penalty is waived for persons who have reached the age of 65 or have become disabled at the time of the withdrawal.

Two ways to set up your HSA.

1. Contact Banyan Administrators to sign up for integrated HSA administration through HealthEquity.

What are the Benefits of HSA Integration through HealthEquity?

- New employees don't have to find a health savings account on their own.
- Employer contributions to employee accounts can be made online, though one simple portal.
- Online access allows employees to view account balances, deposit funds, or make withdrawals.
- Integration with Anthem Blue Cross allows for simple, accurate claims adjudication.

2. Employees can contact a financial institution that offers this type of account. This institution will assist you in setting up your HSA account.

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