

# Town of East Hartford High Deductible Health Plans Informational Meeting

April 2011





# Agenda

- ❖ Town's Financial and Medical Overview
- ❖ Section 1: Medical Plans Offered for 7/1/2011
- ❖ Section 2: What is a High Deductible Health (HDHP) Plan?
  - ❖ How does a HDHP work?
  - ❖ HDHP Medical Plan
  - ❖ Medical Payment Process: What happens when I go to my doctor or facility?
  - ❖ Pharmacy Payment Process: What happens when I go to the Pharmacy?
  - ❖ What is the difference between a HDHP and a Health Savings Account (H.S.A)?
- ❖ Section 3: Which Plan is Best for You?
  - ❖ Family Century Preferred Plan vs. HDHP comparison
  - ❖ Single Century Preferred Plan vs. HDHP comparison
- ❖ Section 3: What is a Health Savings Account (H.S.A)?
  - ❖ Advantages of an H.S.A
  - ❖ What is covered under an H.S.A?
  - ❖ Am I Eligible to Open an H.S.A?
  - ❖ H.S.A. Contributions
  - ❖ Additional H.S.A Contributions to Your Account
    - Town contribution
    - Wellness/Biometric Screening
- ❖ Section 4: H.S.A Bank, a division of Webster Bank
- ❖ Section 6: How to Make the Most of Your Money.
- ❖ Section 7: H.S.A Withdrawals
- ❖ Section 8: Websites

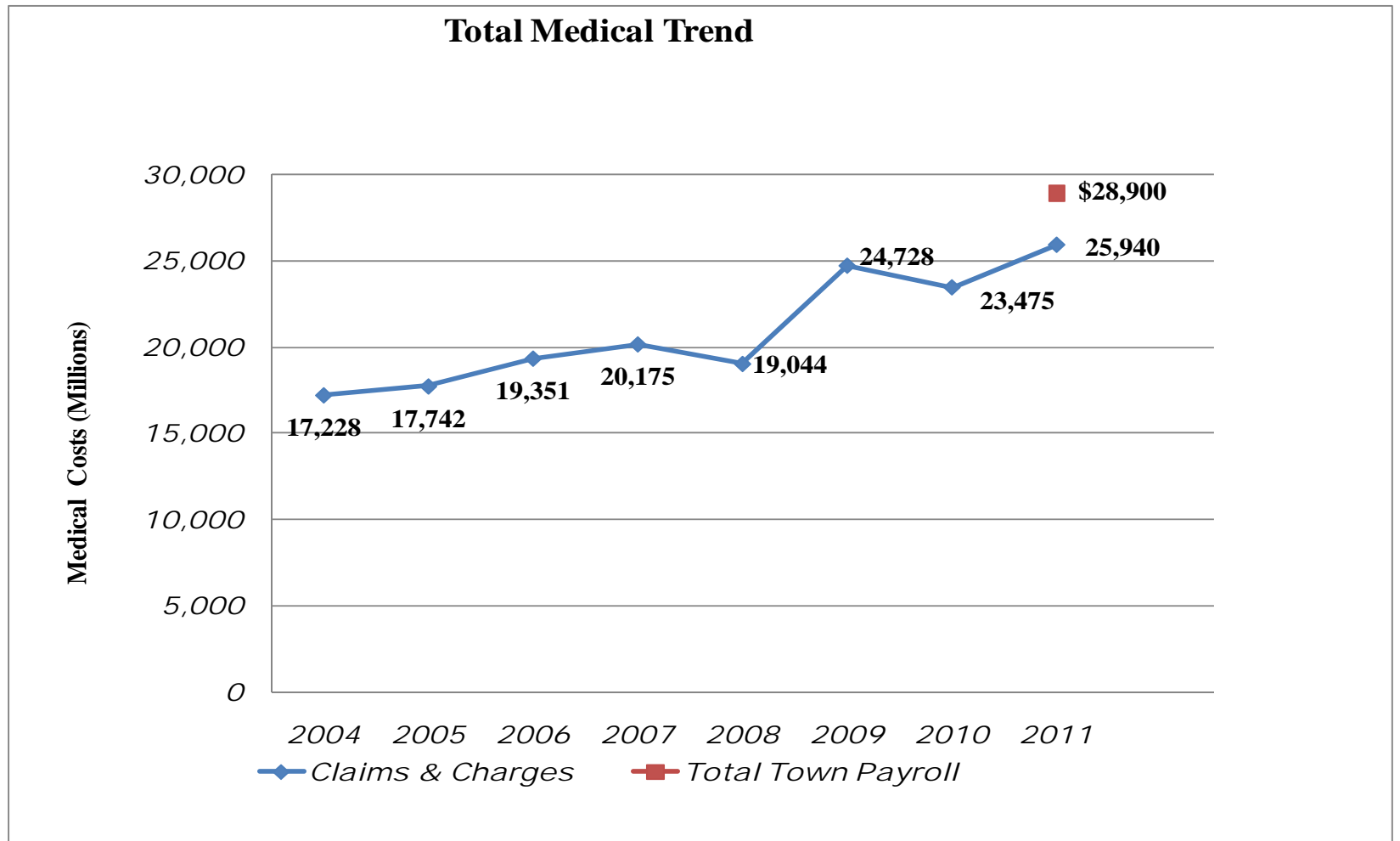


## Mayor Leclerc's Budget Message

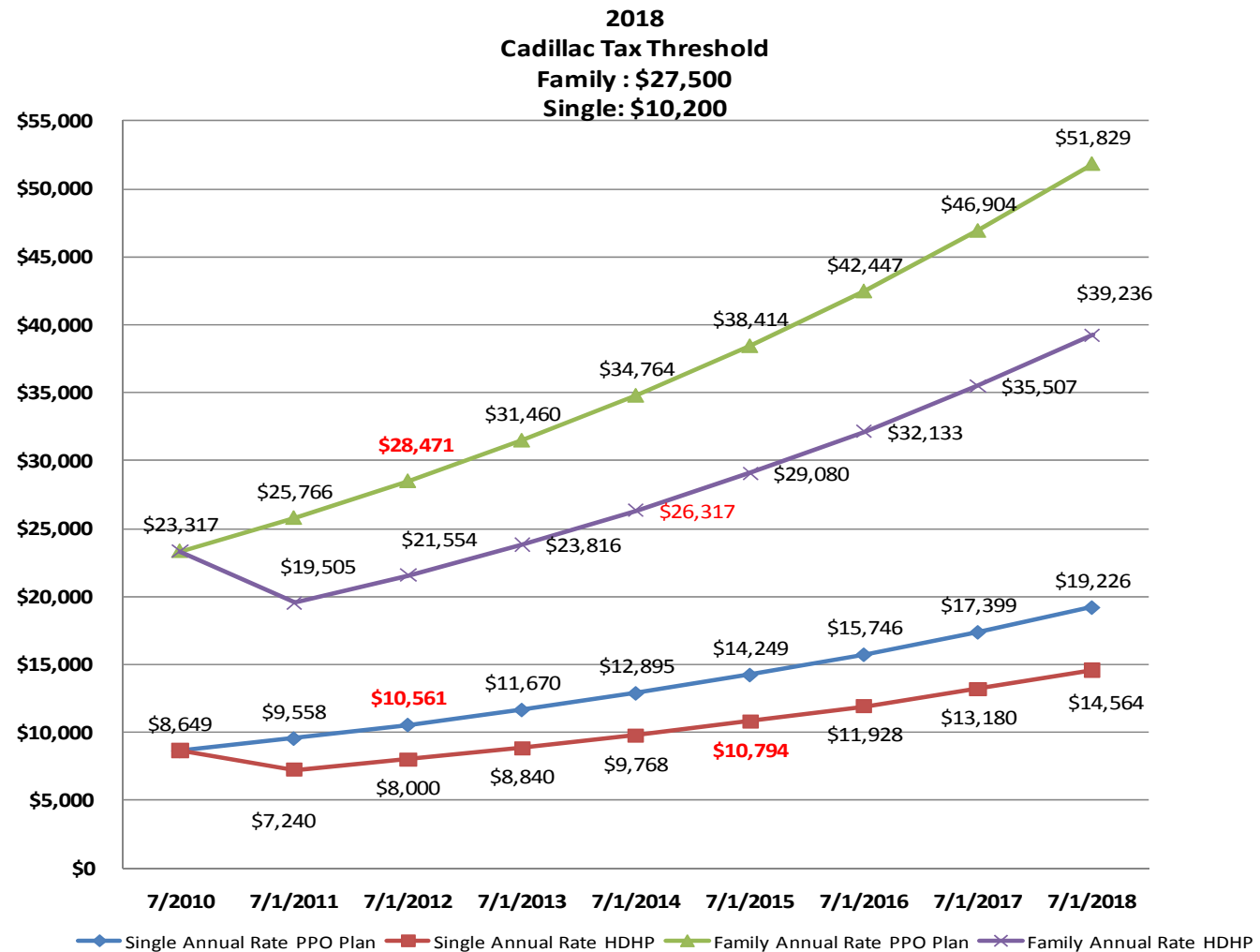
"...health benefit and pension costs  
are the fastest rising component of  
the budget."



## Total Medical Claim Experience (Town, BOE, Retirees) For the Fiscal Years 2004-2011 (2011 is Projected)



# Town PPO Plan & HDHP Plan Comparison (PEPY) @ 10.5% Annual Trend

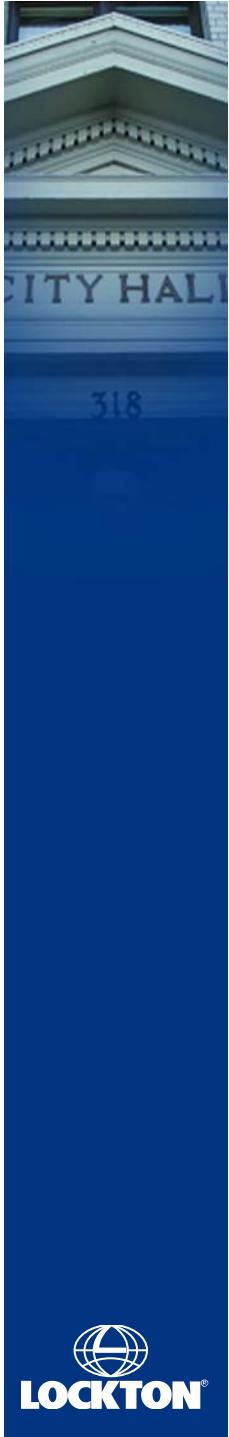




## “ In the past, the town has tackled these types of rising costs topically...”

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- ❖ Premium sharing for active employees and retirees
- ❖ Tiering of dental benefits
- ❖ Competitive bidding of the medical delivery network
- ❖ HMO like utilization controls or POS medical delivery to control costs
- ❖ Carve out RX benefits
  - Narrowed Formularies, Instituted Pharmacist call back
- ❖ Self-insure where it makes sense
- ❖ Completed claims audits
- ❖ Adjusted stop loss levels
  - Added benefit opt-out programs
- ❖ Increased co pays
- ❖ Created a 125 plan (pre-tax) and Flexible Spending Account
- ❖ Modest Voluntary wellness program
  - Chantix prescription
  - Weight Management reimbursement
  - No co pays for diabetes visits/equipment
  - Generic maintenance drugs via Wal Mart, Target
  - Walking clubs



Why do we need to do anything more?

# 7/1/2010 Valuation

## Allocation of Contributions for Fiscal Year Ending June 30, 2012 at 8.25%

	Town and Board of Education	Police	Fire	Para- professionals	Dispatchers	Total
a) Total normal cost	\$2,316,555	\$1,882,536	\$2,001,979	\$429,866	\$127,827	6758763
b) Projected employee contribution	<u>\$1,258,495</u>	<u>\$683,887</u>	<u>\$804,199</u>	<u>\$222,491</u>	<u>\$87,741</u>	<u>3056813</u>
c) Town normal cost: (a-b)	\$1,058,060	\$1,198,649	\$1,197,780	\$207,375	\$40,086	3701950
Accrued Liability						
a) Active	\$39,271,770	\$28,150,894	\$33,137,957	\$3,272,146	\$2,357,979	\$106,190,746
b) Inactive Vesteds	\$1,497,091	\$360,617	\$66,843	\$55,007	\$73,603	\$2,053,161
c) Retirees, Beneficiaries, & Disabled	<u>\$50,536,357</u>	<u>\$50,259,120</u>	<u>\$51,867,638</u>	<u>\$296,478</u>	<u>\$0</u>	<u>\$152,959,593</u>
d) Total AL (a)+(b)+( c )	<u>\$91,305,218</u>	<u>\$78,770,631</u>	<u>\$85,072,438</u>	<u>\$3,623,631</u>	<u>\$2,431,582</u>	<u>\$261,203,500</u>
Assets at modified value*	\$60,740,398	\$52,401,819	\$56,594,070	\$2,410,605	\$1,617,599	\$173,764,491
Unfunded Accrued Liability: (2d-3)	\$30,564,820	\$26,368,812	\$28,478,368	\$1,213,026	\$813,983	\$87,439,009
Payment on Unfunded Accrued Liability (29 year amortization, 4.09% effective interest rate)	\$1,746,755	\$1,506,957	\$1,627,517	\$69,324	\$46,518	\$4,997,071
Projected Administrative Expenses	\$77,600	\$26,400	\$29,200	\$24,100	\$2,700	\$160,000
Annual Town Cost (1c) +5+6	\$2,882,415	\$2,732,006	\$2,854,497	\$300,799	\$89,304	\$8,859,021
Payroll	\$17,226,862	\$8,620,531	\$10,751,703	\$3,708,178	\$1,096,766	\$41,404,040
a) Cost as % of payroll	16.73%	31.69%	26.55%	8.11%	8.14%	21.40%
Annual Required Contribution for fiscal year ending June 30, 2012						
a) Normal Cost: (1c) x 1.04	\$1,100,382	\$1,246,596	\$1,245,691	\$215,670	\$41,689	\$3,850,028
b) Amortization: (5) x 1.04	\$1,816,625	\$1,567,235	\$1,692,618	\$72,097	\$48,379	\$5,196,954
c) Expenses: (6)	<u>\$77,600</u>	<u>\$26,400</u>	<u>\$29,200</u>	<u>\$24,100</u>	<u>\$2,700</u>	<u>\$160,000</u>
d) Annual Required Contribution Payable July 1, 2011	\$2,994,607	\$2,840,231	\$2,967,509	\$311,768	\$92,768	\$9,206,883

\* Allocated based on Accrued Liability

Segal Company



# Other Post-Employment Benefits Program

## Summary of Liabilities as of July 1, 2009

### Current active members

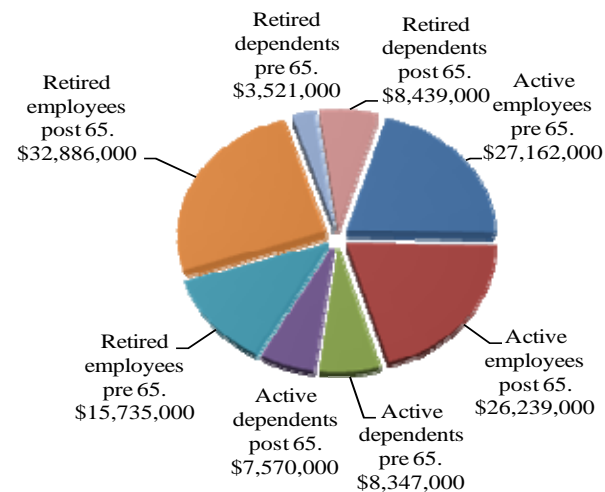
Employees under age 65	\$21,115,000	\$6,047,000	\$27,162,000
Employees over age 65	\$12,875,000	\$13,364,000	\$26,239,000
Dependents under age 65	\$7,047,000	\$1,300,000	\$8,347,000
Dependents over age 65	\$6,897,000	\$673,000	\$7,570,000
<b>Total</b>	<b>\$47,934,000</b>	<b>\$21,384,000</b>	<b>\$69,318,000</b>

### Current retired members

Employees under age 65	\$11,721,000	\$4,014,000	\$15,735,000
Employees over age 65	\$17,354,000	\$15,532,000	\$32,886,000
Dependents under age 65	\$2,969,000	\$552,000	\$3,521,000
Dependents over age 65	\$7,545,000	\$894,000	\$8,439,000
<b>Total</b>	<b>\$39,589,000</b>	<b>\$20,992,000</b>	<b>\$60,581,000</b>











### Total Accrued Liability

<b>\$87,523,000</b>	<b>\$42,376,000</b>	<b>\$129,899,000</b>
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# InfoLock® Report Summary

## Disease Prevalence

Condition	Prevalence compared to Norm	Current Results
Diabetes		5.4% vs. norm (4.9%); Cost is 47.8% over norm (\$6,432)
Hypertension		Slightly over norm 12.8% vs. 11.4%; Cost is 31.2% over norm (\$5,052 PMPY)
Hyperlipidemia		15.3% vs. norm (9.7%)
Back Pain		16.0% vs. norm (11.8%); Cost is 17% over norm (\$5,178 PMPY)
CAD		3.0% vs. 2.4%; Cost is 26.6% over norm (\$8,230 PMPY)
Neck Pain		7.6% vs. norm (5.1%)
Depression		9.1% vs. norm (3.5%); Cost is 26.1% over norm (\$5,471 PMPY)
Asthma		5.0% vs. norm (2.7%); 41% Employees; 14% Spouses; 45% dependents
Osteoarthritis		5.1% vs. norm (3.3%)
COPD		Low claim prevalence (22 members)

# Analysis of the Proposed HDHP

**Box 1: Where we are now...**

	Blended Town Cost	Blended EE Cost	Blended Total Cost
Today's PPO			
Single (14)	112,156	21,363	133,519
Single plus 1 (21)	340,943	64,941	405,884
Family (39)	881,513	167,908	1,049,421
Total (74)	1,334,611	254,212	1,588,824
Cost Share	84%	16%	100%
Single	8,011	<b>1,526</b>	9,537
Single plus 1	16,235	<b>3,092</b>	19,328
Family	22,603	<b>4,305</b>	26,908

**Box 2: Where we need to be...**

HDHP Proposed:	Blended Town Cost	Blended EE Cost	Blended Total Cost
Single	85,868	16,355	102,222
Single plus 1	257,603	49,069	306,672
Family	627,595	119,540	747,135
Total	971,065	184,964	1,156,029
Cost Share	84%	16%	100%
Single	6,133	<b>1,168</b>	7,302
Single plus 1	12,267	<b>2,337</b>	14,603
Family	16,092	<b>3,065</b>	19,157

**Box 3: the savings...**

HDHP Savings:	Blended Town Cost	Blended EE Cost	Blended Total Cost	% Savings
Single	26,288	5,009	31,297	23%
Single plus 1	83,340	15,872	99,212	24%
Family	253,918	48,367	302,285	29%
Total	363,546	69,248	432,794	27%
Cost Share	84%	16%	100%	
Single	1,878	<b>358</b>	2,235	
Single plus 1	3,969	<b>756</b>	4,724	
Family	6,511	<b>1,240</b>	7,751	

**Box 4: The Buy-Up Option...**

	Blended Same PPCTown Cost	Blended EE Cost	Blended Total Cost
Single	80,111	53,408	133,519
Single plus 1	243,530	162,354	405,884
Family	629,653	419,768	1,049,421
Total	953,294	635,529	1,588,824
Cost Share	60%	40%	100%
Single	5,722	<b>3,815</b>	9,537
Single plus 1	11,597	<b>7,731</b>	19,328
Family	16,145	<b>10,763</b>	26,908
Same physician, ER, RX co-pays			

# Analysis of the Proposed HDHP

## Box 5: The steps to the process...

HDHP Deductible:	EE OOP Max	EE Cost share savings	Town H.S.A Funding @50%	Wellness Incentive	Total Potential Contribution toward EE OOP Max	EE HDHP OOP MAX after H.S.A seed & Wellness
Single	1500	358	750	250	<b>1,358</b>	142
Single plus 1	3,000	756	1,500	250	<b>2,506</b>	494
Family	3,000	1,240	1,500	250	<b>2,990</b>	10



## Section 1: 7/2011 Medical Plans Offered

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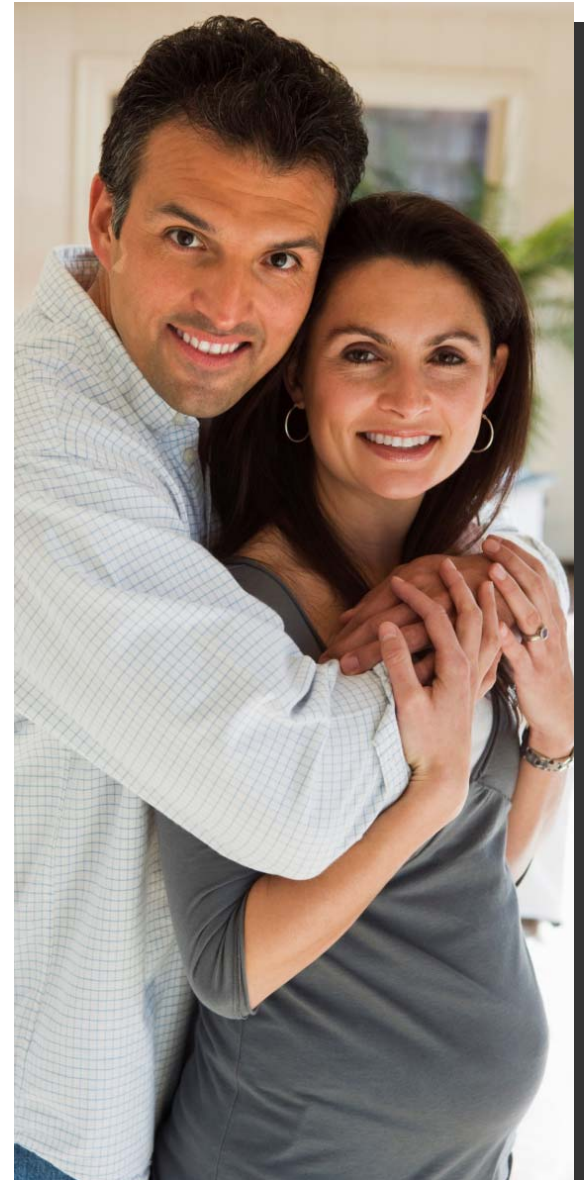
- ❖ Anthem Century Preferred Provider Organization (PPO) Plan
- ❖ Connecticare HMO Plan
- ❖ Anthem's Lumenos High Deductible Health Plan with a Health Savings Account (HSA)

## Section 2:

# How Does the High Deductible Health Plan Work?

- ❖ You pay first-dollar “up front” costs for all services, and prescriptions until you meet your annual deductible
- ❖ Preventive care is covered at 100% in-network, deductible waived
- ❖ Utilizes the same PPO Network you have under your Century Preferred Plan.
- ❖ In-Network Providers = Greater Savings!
- ❖ If you stay in-network, the most you will pay in claims per year is the annual Out of Pocket Maximum
- ❖ Employees enrolled in this plan are eligible to participate in a Health Savings Account (HSA)\*

**\*If you are enrolled in the HSA, you are not eligible to participate in the Medical FSA**



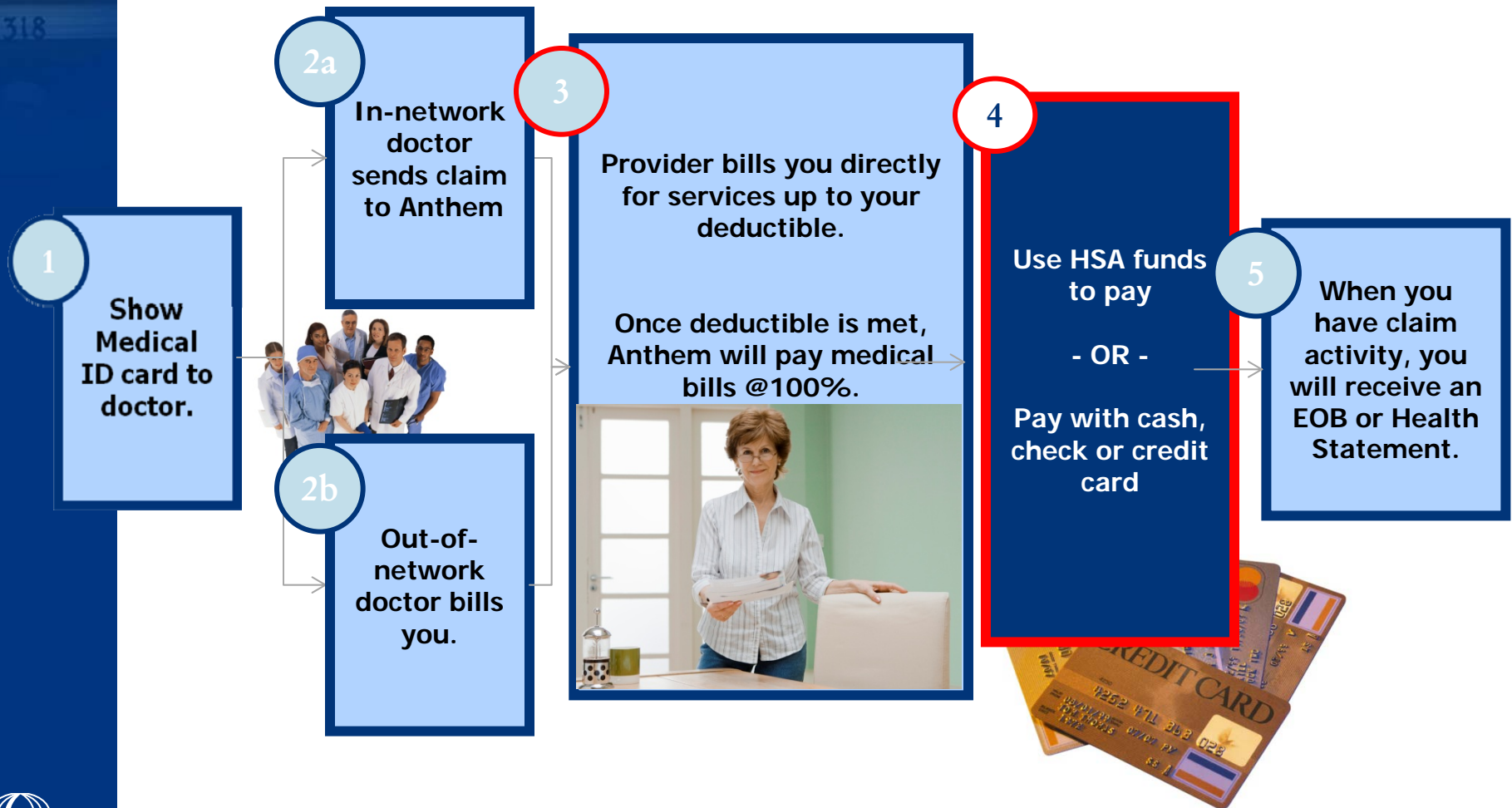
## Section 2: High Deductible Health Plan

Plan Benefit	In-Network You Pay	Out-of-Network You Pay
Annual Deductible (Combined Medical & Prescription Drug)	\$1,500 per person \$3,000 per family	
Annual Out-of-Pocket Max	\$1,500 per person \$3,000 per family	\$4,000 per person \$8,000 per family
Preventive Care	No Cost to You: Covered 100%	Deductible, then 20% coinsurance
All other Office Visits (Physician, Specialist, etc.)	Deductible, then 100% Covered	Deductible, then 20% coinsurance
Inpatient Hospital	Deductible, then 100% Covered	Deductible, then 20% coinsurance
Outpatient Hospital	Deductible, then 100% Covered	Deductible, then 20% coinsurance
Emergency Room	Deductible, then 100% Covered	Deductible, then 20% coinsurance
Lab, X-ray	Deductible, then 100% Covered	Deductible, then 20% coinsurance
Retail Prescription Drugs	Deductible, then \$10 / \$25 / \$40	
Mail Order Prescription Drugs	Deductible, then \$10 / \$50 / \$80	



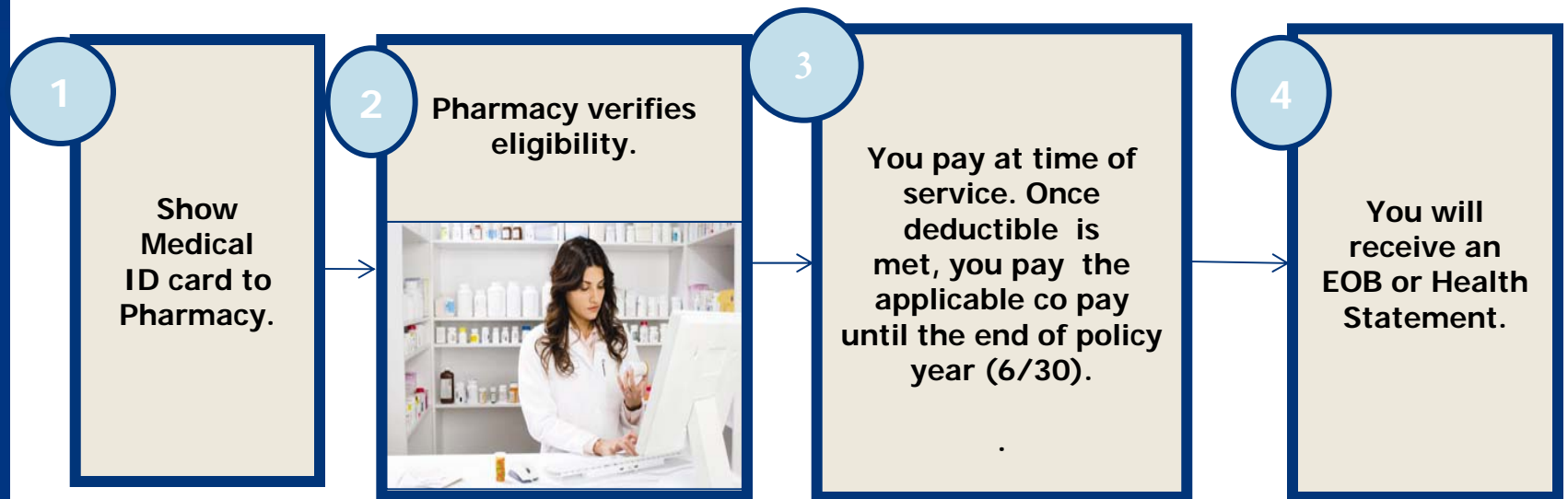


## Section 2: What Happens When I Go to my Doctor or Facility?





## Section 2: What Happens When I Go to the Pharmacy?



## Section 2:

What is the Difference Between a HDHP and a Health Savings Account (H.S.A)?

High Deductible Health Plan (HDHP)	Health Savings Account (HSA)
<u>A medical plan</u> with an up-front deductible that is applicable to all medical and pharmacy benefits.	<u>A way to pay</u> for medical plan expenses (like a plan deductible!) using pre-tax dollars from an individual bank account.



First, let's talk about the HDHP...



## Section 3: Which Plan Is Best For You?

- ❖ Consider your total cost
  - Cost of coverage – compare the cost of what you pay in premiums between the plans being offered.
  - Cost of care – what you pay when you use health care services.
    - ❖ For example: does your current out of pocket costs (deductibles, co-insurance, co-payments) exceed the proposed HDHP deductible? \$1,500 Single/\$3,000 Family
- ❖ Consider your use of health care services
  - Consider past use
    - ✓ Log on to [www.myanthem.com](http://www.myanthem.com) and [www.medcohealth.com](http://www.medcohealth.com) website to access your current medical & pharmacy utilization and use this as a guide for 2011 expenditures.
    - ✓ Obtain a year to date listing of pharmacy utilization for you and your family at local pharmacy chains.
- ❖ Expected use – estimate what you and your family expect to spend in 2011 (planned elective surgery, a child, routine care)

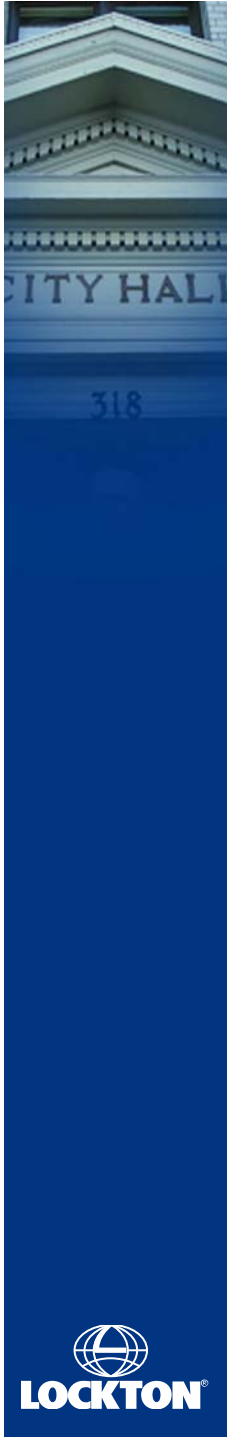
**Consider your medical plan options and choose wisely!**

## Section 3: Cheryl And Her Family

- ❖ Cheryl put \$2,500 into her HSA
- ❖ The Town contributed \$1,500 to the H.S.A.
  - Plus, Cheryl completed her biometric screening test and was awarded an additional \$250 towards her H.S.A
- ❖ Total HSA funding is \$4,250\*
- ❖ Her typical use of the health plan is as follows:
  - Three well care visits for her and her two children
  - Each of the children gets ill twice a year and Cheryl can count on a sinus infection each spring and fall
  - Her son has asthma and needs medication on a regular basis
- ❖ Cheryl's out of pocket costs under the new Plan:
  - 3 Preventive Care Visits \$ 0
  - 6 Physician Visits \$ 750
  - 6 prescriptions \$ 300
  - Lab Work \$ 250
  - Asthma maintenance medications \$ 800
  - Total medical expenses \$ 1,800
  - Family Deductible: \$ 3,000
  - Rx Co pays after Ded:\$10/\$25/\$40
  - Applied to deductible \$ 1,800
  - Paid from HSA \$ 1,800
  - **Balance in HSA to roll forward (\$4,250-\$1,800) \$ 2,450**

\*Cheryl could have chosen to fund her HSA to the maximum allowed of \$6,150 (family maximum) less any H.S.A contributions made by the Town.





### Section 3: Illustration

Family with low to average health problems and maintain a chronic condition with medication.

		Century Preferred PPO Plan	HDHP Year One
	Frequency		
Preventive Care Visit	3	\$15	\$0
Primary Care Office Visits	6	\$30	\$750
Laboratory Services	3	\$0	\$250
RX Filled	18	\$150	\$800
Retail    6x \$5 tier 1 drugs			
12x \$10 tier 2 drugs    Family Deductible (\$3,000)			
Your total cost sharing (deductible + co pay + coinsurance)	a	\$315	\$1,800
Your annual payroll contributions	b	\$4,305	\$3,065
Your HSA Contribution	c	N/A	<u>\$2,500</u>
Town Contribution ( H.S.A & Wellness Award)			\$1,750
<b>Total Amount in your H.S.A</b>			<b>\$4,250</b>
Est. Tax Savings at 28% Federal, 7.65% FICA, 5% State	(b+c) x .4065	\$1,749	\$2,262
Total Plan Cost = contribution + cost share - Tax Savings		\$2,871	\$2,603
Rollover balance in HSA account (Your Money)			<b>\$2,450</b>

## Section 3: Christopher

- ❖ Christopher funds his HSA with \$1,000 because he wants to cover his deductible and some pharmacy co pay if necessary
- ❖ The Town contributes \$750 to his H.S.A
  - Plus, he completed his biometric screening test and was awarded an additional \$250 towards her H.S.A
- ❖ Total HSA funding is \$2,000\*
- ❖ His use of the health plan is as follows:
  - One well care visit
  - He breaks his ankle playing basketball
  - He needs physical therapy for the broken ankle

\*Christopher could have chosen to fund his HSA to the maximum allowed of \$3,050 (single maximum) less any H.S.A contributions made by the Town

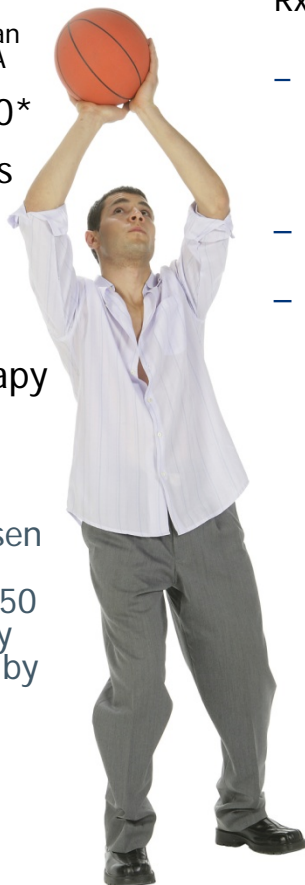
- ❖ Christopher's out of pocket costs under the HDHP:

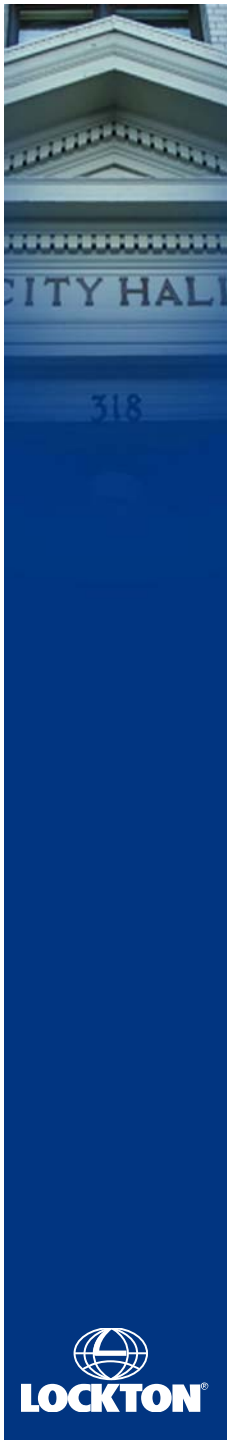
– Preventive Care	\$ 0
– Emergency Room	\$ 1,000
– Pain meds (generic)	\$ 4
– Total medical expenses	<u>\$ 1,004</u>

Single Deductible: \$1,500

Rx Co pays after Ded:\$10/\$25/\$40

- Amount paid out of HSA and applied to deductible \$1,004
- Total amount paid from HSA \$1,004
- Balance in HSA to roll forward (\$2,000 - \$1,008) **\$ 996**





## Section 3: Illustration

Christopher is a single person that is healthy but had an accidental injury

		Century Preferred PPO Plan	HDHP Year One
	Frequency		
Preventive Care Visit	1	\$5	\$0
Emergency Room (including X-Ray)	1	\$25	\$1,000
RX Pain Medication (generic)	1	\$5	\$4
Single Deductible		N/A	\$1,500
Your total cost sharing (deductible + co pay + coinsurance)	a	\$40	\$1,004
Your annual payroll contributions	b	\$1,526	\$1,168
Your HSA Contribution	c	N/A	\$1,000
Town Contribution ( H.S.A & Wellness Award)			<u>\$1,000</u>
<b>Total Amount in your H.S.A</b>			<b>\$2,000</b>
Est. Tax Savings at 28% Federal, 7.65% FICA, 5% State	(b+c) x .4065	\$620	\$881
Total Plan Cost = contribution + cost share - Tax Savings		\$946	\$1,295
Rollover balance in HSA account (Your Money)			<b>\$ 996</b>





## Section 4:

# What is a Health Savings Account?

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- ❖ An HSA is a personal savings account that is funded with pre-tax contributions that you can use to pay for eligible medical expenses
- ❖ HSA Account Rollover
  - Both the contributions and earnings in an HSA carry over from year to year
- ❖ Portability - TAKE YOUR HSA WITH YOU – NO USE IT OR LOSE IT RULES even if you:
  - change jobs
  - move to another state
  - change your marital status
  - change your medical coverage
- ❖ Flexibility- you can use funds in your account to pay for current medical expenses or save the money in future needs, such as:
  - Health Insurance or medical expenses if unemployed
  - Medical expenses after retirement (before Medicare)
  - Out of pocket expenses when covered by Medicare
  - Long-term care expenses and insurance
- ❖ Can only contribute to an HSA if you are enrolled in a qualifying HDHP



## Section 4:

### Am I Eligible to Open an HSA?

- ❖ You are eligible to open an HSA as long as:
  - You are not covered by other health insurance
  - Your spouse is not enrolled in a non-tax-qualified medical plan, FSA or HRA
  - You are not enrolled in the FSA
  - You are not enrolled in Medicare
  - You cannot be claimed as a dependent on someone else's tax return
  
- ❖ Important: If you open an HSA, you are **NOT** eligible to participate in the Medical Flexible Spending Account (FSA) program. (You can still be enrolled in the Flexible Dependent Care Account.)





## Section 4: Health Savings Account Contributions

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- ❖ 2011 Maximum contribution equal to:
  - \$3,050 individual/\$6,150 family\*
- ❖ Catch-up contributions age 55+
  - \$1,000/year in 2011
  - No contributions permitted if Medicare enrolled
- ❖ Contributions are exempt from Federal, FICA, and most state taxes.
- ❖ Payroll deductions are pre-tax
- ❖ Contributions by personal check: After-tax, but deductible on federal tax return



## Section 4: Additional H.S.A Contributions to Your Account

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- ❖ Employees enrolled in the HDHP, the Town will contribute to your H.S.A
  - \$750 for a single, and
  - \$1,500 for Family (Family includes Employee +1 and Family)
- ❖ Interactive Health Solutions (I.H.S) - a prevention and wellness third party administrator
  - ❖ Conducts Worksite Health Evaluations
  - ❖ Provides 34 diagnostic tests to detect a wide range of health issues
  - ❖ Information is confidential
  - ❖ IHI is HIPPA compliant
  - ❖ Each participant will receive a personal health report
  - ❖ Can be mailed to your primary care physician or specialist
  - Participants will receive a \$250 contribution to their H.S.A when they complete their Worksite Health Evaluation.

## Section 4:

# What's Covered Under an HSA?

Remember, any money you take out for qualified medical expenses is **INCOME-TAX FREE!** Examples listed below:

Doctor's office visits and procedures (including physicians, surgeons, specialists or other medical practitioners)	*Over-the-counter medical expenses for items used solely to treat a medical condition (such as aspirin, pain relievers, etc.)	Dental treatment (X-rays, fillings, braces, extractions)	Hearing aids (and batteries for use)	Psychologist
Operations/surgery (excluding unnecessary cosmetic surgery)	Diagnostic devices (such as blood sugar test kits for diabetics)	Contact lenses and solutions	Physical Therapy	Stop-smoking program (including nicotine gum or patches)
Hospital services	Ambulance	Eye surgery (such as laser eye surgery)	Psychiatric care	Weight-loss program (to treat a specific disease diagnosed)
Drugs, prescription	Artificial Teeth	Eyeglasses and exams (for medical reasons)	Chiropractor	Laboratory Fees

\*As of January 1, 2011, Over-the-counter items will no longer be considered eligible expenses for reimbursement under a Health Savings Account unless they are accompanied by a Doctor's prescription.



## Section 5: H S A Bank: Accountholder Information

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- ❖ HSA Bank, a division of Webster Bank
- ❖ HSA Bank's secure member website, is an online resource for personalized benefits and health information.
- ❖ 24/7 access to account balances and activity via [www.HSABANK.com](http://www.HSABANK.com)
  - Monthly view for all transactions
  - Monthly and YTD view for contributions and interest
  - Online statements are printable
  - List of frequently asked questions
- ❖ Monthly paper statements available upon accountholder request



## Section 5:

### H.S.A Bank, a division of Webster Bank

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- ❖ HSA Bank a division of Webster Bank provides:
  - ❖ Your VISA debit card (2) and PIN
  - ❖ Your HSA Checkbook
  - ❖ Your funds are FDIC insured
- ❖ Webster Bank HSA Fees
  - No set up fee
  - Monthly Maintenance fee - \$2.25 *(waived for balances of \$3,000 and above)*
    - ❖ Unlimited check transactions
    - ❖ Contribution processing
    - ❖ Debit card point of sale purchase via signature
    - ❖ Tax reporting
    - ❖ Online account access
    - ❖ Bankline Balance, transactions inquiries
  - ATM Transaction fee - \$2.00
  - ATM Replacement Card fee - \$12.00
  - Fifty checks (including ten deposit checks)- \$7.95

## Section 6:

# How Can I Make the Most of my Money?

- ❖ Stay within the local or national network to reduce out-of-pocket costs:
  - Take advantage of your health plan's pre-negotiated discounts by choosing providers who participate in your plan's network. When going to the pharmacy, choose a network pharmacy.
- ❖ Get informed:
  - Review your explanation of benefits (EOB)
  - Research costs
  - Look for less expensive care (i.e. CVS Minute Clinics, Walmart or Target drug discount programs)
- ❖ Buy generic:
  - Many commonly prescribed medications have generic equivalents
- ❖ Shop by mail:
  - Save money by ordering your prescription through a mail-order program.
- ❖ Consider over-the-counter (OTC) options:
  - These medications may cost less than your out-of-pocket expenses for prescription medications, and are reimbursable from your health account.





## Section 7: HSA Withdrawals

- ❖ Tax-free for qualified 213(d) expenses including:
  - Deductibles and co pays under your health insurance plan
  - Prescription drugs and limited over-the-counter items
  - Vision and dental expenses
  - COBRA premiums
  - Medicare premiums, deductibles and co pays
- ❖ Non-qualified withdrawals
  - Taxable, plus 20% penalty if under the age of 65
  - Taxable, no withdrawal penalty for Medicare eligible or upon disability or death
  - Taxable to beneficiary if the beneficiary is not the spouse
- ❖ Permitted even if not eligible to contribute
  - Medicare enrolled
  - No longer enrolled in the HDHP
- ❖ Tax-free transfer to spouse upon employee death
- ❖ Divided/disbursed in accordance with divorce decree
- ❖ **Make sure you keep qualified medical receipts for all withdrawals.**

NOTE: Individual is responsible for following contribution rules/limits and using HSA funds for qualified expenses.





## Section 8: Websites

- ❖ Regarding your health plan contact:
  - Anthem at:
    - ❖ 1.800-482-0966
    - ❖ [www.myanthem.com](http://www.myanthem.com)
  - Medco at:
    - ❖ 1.800-251-7690
    - ❖ [www.medcohealth.com](http://www.medcohealth.com)
- ❖ Regarding your HSA account and to order checks:
  - Contact HSA Bank toll free at:
    - ❖ 1.800-357-6246
    - ❖ Monday-Friday, 7:00 a.m. to 8:00 p.m. Central time
    - ❖ Or visit online at [www.hsabank.com](http://www.hsabank.com)
- ❖ Regarding your Wellness/Prevention administrator
  - Contact Interactive Health Solutions at:
    - ❖ [www.interactivehs.com](http://www.interactivehs.com)
- ❖ Regarding eligible medical expenses:
  - Visit <http://www.irs.gov/pub/irs-pdf/p502.pdf>