Understanding Health Savings Accounts (HSAs)
HSA Bank Overview

HSA Bank is one of the nation’s leading Health Savings Administrators

- 15+ years of experience
- Started in 1994 offering MSA’s
- In 2004, expanded offering to include HSA’s
- More than 1.7 million accountholders and serve more than 35,000 employer groups
- Over $4 billion in HSA deposits and investments
- *Kiplinger’s* pick for “Best Health Savings Account” in 2006 and again in 2013
Getting Started

We give you everything you need to use, grow and manage your HSA:

• **Welcome Kit**: This valuable “starter package” contains your 8-digit account number, important disclosures and a privacy statement.

• **Debit Card**: Arrives separately from the Welcome Kit and is delivered in a plain, blank envelope for security reasons. Activation instructions are included.

• **Online Banking**: Provides 24/7 account information, including activity and balance information, electronic statements, tax documents, email notifications and electronic fund transfers.

• **Authorized Signer Form**: Lets you authorize someone who wants to access your HSA funds and information.

• **Beneficiary Designation Form**: Lets you designate a beneficiary for your HSA.
How to use your HSA with a High Deductible Health Plan (HDHP)

Use your account to pay for current or future healthcare expenses including deductibles, co-insurance, prescriptions, vision, dental care, and more. As an added benefit, after age 65, HSA funds can be withdrawn for any purpose without penalty.
Managing your HSA

Sign up for free online banking

Access real-time account balances, transaction history, statements, and online transfers.

Sign up today at https://secure.hsabank.com/ibanking3/login.aspx

• Order checks/debit cards
• View real-time account balances
• View transaction history and statements
• View cancelled checks

• Access electronic statements and tax documents
• Receive year-to-date account information
• Transfer funds to or from a linked account
• Sign up for email confirmations
Contribution Sources: how to put money into your HSA

You may contribute to (fund) your HSA in several ways:

**Payroll Deduction:** HSA Bank will facilitate recurring pre-tax payroll deductions. Contact your employer to complete the appropriate paperwork for this option.

**Online Transfers:** Through HSA Bank’s Internet Banking, you can transfer funds from your external bank accounts (i.e., checking or savings accounts) to your HSA.

**Personal Check or Money Order:** Mail your personal check with a completed Contribution Form to HSA Bank directly at PO Box 939, Sheboygan, WI 53082.

**HSA & MSA Transfer; IRA Rollover:** A once-per-lifetime transfer can also be made from an IRA; however, they are subject to the annual maximum contribution limit.

*Before initiating a transfer or rollover of any kind, please consult a qualified tax advisor to understand any conditions or risks that may apply.*
A Contribution Monitor enables Internet Banking customers to view HSA contributions in a graphical representation on the Accountholder’s homepage.

Additionally, a Contribute button will allow you to easily access the Transfers page to set-up a one-time or recurring transfer in order to meet the relevant contribution limit for the current or previous plan year.
## The HDHP/HSA concept and contribution limits

### 2016 Single Coverage

<table>
<thead>
<tr>
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<th>AHP/Tier 1</th>
<th>National/Tier 2</th>
<th>OON</th>
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<tr>
<td>Minimum Deductible</td>
<td>$1,300</td>
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<td>Coinsurance</td>
<td>90%</td>
<td>80%</td>
<td>60%</td>
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<td>*OOP&lt;$46,300</td>
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<td>*OOP&gt;$46,300</td>
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<td>$4,000</td>
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Intended to cover serious illness or injury

### 2016 Family Coverage

<table>
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<td>$8,500</td>
<td>$9,500</td>
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</tbody>
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*Deductibles, co-payments, and other amounts (but no premiums)
The HDHP/HSA concept and contribution limits (cont.)

<table>
<thead>
<tr>
<th>Maximum Contribution</th>
<th>Single</th>
<th>Family</th>
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<tbody>
<tr>
<td>2016</td>
<td>$3,350</td>
<td>$6,750</td>
</tr>
</tbody>
</table>

| Catch-up Contribution (Age 55+) | $1,000 |

Can pay for eligible medical expenses not covered by health plan

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Distribution Options: how to pay expenses from your HSA

Debit Card
- Up to two free cards
- To help prevent misuse of HSA funds, the debit card is only authorized at merchants that provide medical products and services.

Online Transfers (through Internet Banking)
- Establish and verify external bank account
- One-time or recurring transfers (both incoming and outgoing transfer options)

• Checks
  - Checks can be ordered upon request (box of 50) for a fee of $7.95.

Manual Withdrawals ($10)
- Complete and mail form to HSA Bank
Using your Debit Card

HSA Bank’s debit card can be used for point-of-sale transactions in two ways:

1. **Signature**
   For signature, swipe card, press credit on the keypad, and sign the receipt. This option is FREE.

2. **PIN**
   To pay using a PIN (Personal Identification Number), swipe your card, select debit on the keypad, and enter your PIN. A $2 fee per PIN transaction applies.

To withdraw HSA funds from an ATM ($2 fee per ATM withdrawal applies), be sure to select the “checking” option (not savings) when asked the type of account you are withdrawing from. To avoid the $2 fee, use Internet Banking to transfer funds from your HSA to a personal checking or savings account.
Using your Debit Card

HSA Bank has several security protocols in place to protect you and your funds:

• HSA Bank limits point-of-sale debit card transactions to medical merchants.

• Also, as a mechanism for fraud protection, we’ve set limits on debit card transactions. You can withdraw $2,000 per day when a signature is used and $300 per day for PIN-based transactions.

• Debit card transactions are also limited to your current daily balance. NOTE: you may request that HSA Bank temporarily increase the $2,000 limit up to your account balance to pay for large medical expenses.

• You are able to make five debit card transactions per day. Any additional transactions will be denied.
Eligible Medical Expenses

Use your HSA to pay for a wide range of qualified medical expenses (as defined by the IRS) for yourself, your spouse, or tax dependents. Here are just some examples:

- Acupuncture
- Ambulance services
- Chiropractor
- Dental treatments
- Doctor’s fees
- Hearing aids
- Laboratory fees
- Prescription drugs
- Psychologist
- Surgery
- Vaccines
- Vision care
- Wheelchairs
- X-Rays

Invest your HSA funds

There is no minimum HSA balance required to begin investing. No proprietary or default investment based on balance. And, you can start right away!

• **TD Ameritrade** gives you access to bonds, stocks and thousands of mutual funds. Trading fees may apply.

• **DEVENIR** is a pre-selected group of no-load mutual funds covering a range of fund families and asset classes. An annual fee of $24 is deducted from the investment account balance, prorata.

Investment products are not FDIC insured, are not a deposit or other obligation of or guaranteed by HSA Bank, and are subject to investment risks.
Account Communications

HSA Bank provides several communication pieces to help you manage your HSA, including:

• **Quarterly account statements:** Available by default

• **Monthly account statements:** Available online or by mail

• **IRS Form 5498-SA:** Sent in May and lists all HSA contributions made the prior year. Contributions for previous tax year can be made up until the tax filing deadline.

• **IRS Form 1099-SA:** Sent in January and reports any HSA distributions that were made
Employee Services & Support

• **Client Assistance Center:** Representatives are experts in HSAs and can answer all HSA-related questions. Available Monday – Friday, 8 a.m. - 10 p.m. EST at 866-471-5940. During non-business hours, please call 800-523-4175

• **Bankline:** Is a toll-free automatic system that provides you with 24/7 access to account balance and transaction history at 800-565-3512.

• **askus@hsabank.com:** You can always email us with any questions or concerns.

• **http://www.hsabank.com/excellus** On our website, you will find educational materials, online tools, forms and other important HSA information.