

HEALTH SAVINGS ACCOUNT



A Health Savings Account (HSA) is an individually-owned, tax-advantaged account that you can use to pay for current or future eligible medical expenses. With an HSA, you'll have the potential to build more savings for health care expenses or additional retirement savings through self-directed investment options.

What are the benefits of an HSA?

- Pre-tax contributions reduce your taxable income.
- Post-tax contributions are tax deductible.
- Make changes to your contribution at any time.
- Distributions for eligible medical expenses are tax free.
- HSA funds carry over year-to-year without forfeiture.
- Contributions to your HSA belong to you, even if you retire or change employment.⁴
- Grow your savings over time by earning interest.
- After age 65, your funds can be withdrawn for any purpose without penalty (subject to regular income taxes).

How does it work?

- You can contribute to your HSA via payroll deduction or by online transfer from your personal bank account to your HSA. Your employer (if eligible for employer contribution) or third parties, such as a spouse or parent, may contribute to your account as well.
- You can pay for eligible medical expenses with your TASC Card or pay out-of-pocket. If you pay out-of-pocket, you can either choose to reimburse yourself or keep the funds in your HSA to grow your savings.
- Manage your HSA account 24/7 via the TASC Benefits mobile app or TASC Online account at <https://partners.tasconline.com/ETFEmployee>.

Enrollment Eligibility

- State employees, except those who are eligible for the graduate assistant/short term academic staff benefits package and are not in the Wisconsin Retirement System, are eligible to participate.
- Limited Term Employees (LTEs) who are eligible for the State of Wisconsin Group Health Insurance Program are eligible to participate.
- Retirees¹ younger than age 65 are eligible to participate.
- **To enroll in an HSA, you must be enrolled in a qualified HDHP.** In addition:
 - You cannot have any other health coverage that pays for out-of-pocket health care expenses before you meet your plan deductible, including Medicare A and B.
 - You cannot be covered by TRICARE, or have accessed your Veterans Administration (VA) benefits in the past 90 days (to contribute to an HSA). Exceptions may apply. See HSA Participant Guide for more details.
 - You cannot be claimed as a dependent on another person's tax return (unless it's your spouse).
 - You (and your spouse) cannot have a Health Care FSA in the same year.
 - **Note: You must notify your human resources/benefits office of any other medical coverage when enrolling in, and at any point while enrolled in, the HDHP and HSA.**

Annual HSA Contribution Limits	2017	2016
Individual HSA Contribution Limit ²	\$3,400	\$3,350
Family HSA Annual Contribution Limit ²	\$6,750	\$6,750
HSA Catch-Up Contribution Limit ³	\$1,000	\$1,000

1: Retirees enrolled in IYC HDHP/HSA benefit option must keep HSA open and active, and pay \$3.00 monthly service fee.

2: Contributions from all sources combined, such as employee, employer, and third parties (i.e. parent, spouse, or anyone else) must not exceed these limits.

3: Health Savings Account holders that meet these qualifications are eligible to make an HSA Catch-Up Contribution of \$1,000: age 55-65 (regardless of when in the year an account holder turns 55), not enrolled in Medicare (if an account holder enrolls in Medicare mid-year, catch-up contributions should be pro-rated).

4: Employees that terminate employment but keep HSA open and active pay \$3.00 monthly service fee.



Annual HSA Contribution Limits

This is the amount the Internal Revenue Service (IRS) allows to be contributed to an individual HSA. If a married individual's spouse also has an HSA, the two can only contribute up to the total contribution limit between the two HSAs. **If you are eligible, your employer may contribute up to \$750 individual/\$1,500 family.**

Eligible HSA Medical Expenses

Below is a partial list of eligible expenses that are reimbursable through an HSA. Eligible expenses can be incurred by you, your spouse, or qualified dependents. For more information, see your HSA Participant Guide. For the complete list of eligible and ineligible expenses, visit www.IRS.gov and see IRS Publications 502.

Medical Expenses

- Acupuncture
- Birth control/contraceptive devices
- Birth classes/Lamaze⁵
- Blood pressure monitor
- Chiropractic therapy/exams/adjustments
- Co-payments
- Crutches⁵
- Flu shots
- Hearing aids and batteries⁵
- Infertility treatments
- Insulin and diabetic supplies
- Legal sterilization
- Physical exams
- Physical therapy⁵
- Sleep apnea services/products⁵
- Smoking cessation programs
- Treatment for alcohol or drug dependency
- Vaccinations
- Wrist supports/elastic straps
- X-ray fees

5: Restrictions may apply. See IRS Publication 502 for more details.

Note: If you have a qualified dependent child, you can use your HSA funds to pay for their eligible medical expenses through the end of the calendar year in which they turn 24.

Interest Rate and HSA Investment Options

- Funds in your HSA account will earn interest over time.
- Once your balance reaches \$2,000, you may invest any funds above that level (in \$100 increments) in a variety of HSA investment options with varying levels of related risk and returns.
- For more information about interest rate and HSA investment options, see page 4 of the HSA Enrollment Brochure or visit TASC Online at <https://partners.tasconline.com/ETFEmployee>.

How to Enroll

- Annual It's Your Choice Open Enrollment period: **October 17 – November 11, 2016**
- Benefit Period: January 1 – December 31, 2017
- Deadline for New Hire Enrollment is within 30 days from hire date. Contact your human resources/benefits office for details.
- Deadline for Qualified Life Change Event Enrollment or Changes is within 30 days of the date of the qualified life change event. Contact your human resources/benefits office for details.
- See the HSA Enrollment Brochure or visit www.etf.wi.gov/IYC2017 for enrollment information, or contact your human resources/benefits office for enrollment instructions.
- **Note:** If you are continuing HDHP coverage, you must re-enroll in HSA each year. Elections do not carry forward from year to year.

Dental Expenses

- Cleanings and exams
- Crowns and bridges
- Dental surgery
- Dental x-rays
- Dentures
- Extractions
- Diagnostic services
- Fillings
- Orthodontia
- Root canals

Vision Expenses

- Contact lenses and lens solutions
- Eye exams
- Eye surgery
- Diagnostic services
- Laser eye surgery/LASIK
- Prescription eyeglasses
- Seeing eye dog (*buying, training, and maintaining*)

OTC Medicines and Drugs

Over-the-counter (OTC) medicines and drugs, except for insulin, require a prescription from your physician to be reimbursable with your TASC HSA. The prescription must be included with each request for reimbursement.

- Cold medicines
- First Aid supplies
- Hemorrhoid treatments
- Indigestion medications
- Nicotine patches
- Pain relievers
- Pain relieving creams
- Sinus medications

Following Enrollment

Once you have enrolled in the HSA, you will receive:

- **HSA Welcome Brochure**
The HSA Welcome Brochure will provide you with information on how to manage your HSA, set-up your TASC Online account, your responsibilities, and key dates. It will also provide you with information on how to make additional contributions, transfer funds to an investment account, or request a distribution.
- **TASC Card**
Your TASC Card allows you to conveniently pay for eligible medical expenses. Be sure to review the Cardholder Agreement included with your TASC Card.
 - **Note:** If you are a current TASC participant, you will not be issued a new TASC Card. You will continue to use your current TASC Card.



TASC Customer Care | Phone 844-786-3947 or 608-316-2408 | Email 1customercare@tasconline.com

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LUS CEEV: Yog tias koj hais lus Hmoob, cov kev pab txog lus, muaj kev pab dawb rau koj. Hu rau 1-877-533-5020 (TTY: 1-800-947-3529).