

# How to Use a High Deductible Health Plan (HDHP) and a Health Savings Account (HSA)

What is a High Deductible Health Plan?

pay first dollar "up front" costs for all



Preventive care visits are provided at no cost to you.

## How Does it Work?

You pay for the first stretch, up to



### Who can enroll in an HSA?

You must be enrolled in a qualified High Deductible Health Plan in order to enroll in a HSA. You may not be enrolled in Medicare or Tricare, nor may you be covered under a spouse's traditional medical plan.

If you are over age 65 and eligible for Medicare, as long as you do not enroll in any Medicare Plan, including Part A, you may still elect to enroll in an employer's High Deductible Health Plan with HSA, as long as you do not enroll in Medicare.

### Are my dependent's medical expenses payable through the HSA?

Any tax dependents' medical expenses may be paid through the HSA. Please check with your tax adviser.

### What can my HSA be used for?

The HSA is used to pay or reimburse you for qualified medical, pharmacy, dental and vision expenses. If it is used for non-qualified expenses, there will be a tax penalty.

### Can I change the amount I am contributing to the HSA?

The amount you have elected to contribute to your HSA may be changed, stopped or increased at any time in the year.

You may elect to have the entire annual contribution taken in the beginning of the year or per paycheck.

### How does the HSA interact with a Flexible Spending Account?

- If you enroll in an HSA, you may not have a Flexible Spending Account (FSA) to use for medical or pharmacy expenses.
- You may have a limited FSA to be used for dental and vision expenses while enrolled in an HSA.
- You may not open an HSA if there is any balance in your FSA.

### If I leave my employer, what happens to the HSA?

- The HSA is owned by the member, not the employer, and is taken with the employee when they leave.
- The HSA may be used for COBRA expenses for a terminating member.
- The HSA may be used for any covered medical expense (copays, deductibles, etc.) for the member.