

High Deductible Health Plan
HSA (Health Savings Account)
Effective January 1, 2021

Why would I want to choose a High Deductible Health Plan with an HSA?

Because your insurance premiums are lower and you get to keep and carry over unused funds in your HSA from year to year. An HSA is not health insurance. Health Savings Accounts are exactly what they sound like: savings accounts for health expenses. The HSA allows you to set aside pre-tax dollars to be used for qualified medical expenses. An HSA must be paired with a high deductible health insurance plan.

What is an HSA?

An HSA is a health savings account that is a tax-advantaged medical savings account available to employees who are enrolled in a high deductible health plan (HDHP). The funds contributed to an HSA account are not subject to federal income tax at the time of deposit, earns interest, and can be invested.

If I enroll in the High Deductible Health Plan (HDHP)/HSA will I still have medical coverage through United Healthcare?

Yes. United Healthcare is your medical insurance plan. The HSA is your health savings account.

This plan uses the same network as the PPO plan, covers the same procedures and drugs as the PPO plan. With the HDHP/HSA there are no copays, deductible only.

Will I get a new medical insurance card showing I have a High Deductible Health Plan/ HSA?

Yes, you will get a new medical insurance card. Because there are no copays with the high deductible health plan (HDHP), there will not be copays listed on your United Healthcare insurance card. (Note: dental and vision plans are NOT part of the HDHP)

Do I still have to pay a monthly medical insurance premium for the High Deductible Health Plan to the district?

Yes, you will pay the same employee share as the PPO plan, however, the HDHP premiums will be lower.

30 hrs or more:

Single monthly premium for HDHP - \$91.27 / PPO plan - \$115.53

Family monthly premium for HDHP - \$275.64 / PPO plan - \$348.90

When will the Board contribute to my HSA account?

Due to IRS regulations, the health plan must now operate on a calendar year.

The Board will deposit half of their contribution in your HSA account in January, one fourth in July for July, August, and September and then one fourth in October for October, November, and December. These contributions will be pro-rated for new hires and if an employee leaves the district.

The High Deductible Health Plan/HSA has a yearly deductible.

Family medical plan - \$5,000 deductible

Employee+Kids medical plan - \$5,000 deductible

Single medical plan - \$2,500 deductible

How much of my deductible will the Mad River Board of Education contribute to my HSA account?

- **Board Contribution: 50% of the deductible (2021)**
 - 50% of Single plan - \$1,250
 - 50% of Family plan - \$2,500
 - 50% of Employee+Spouse plan - \$2,500
 - 50% of Employee+Kids plan - \$2,500

How do I add additional money to my HSA account?

In addition to what the Board contributes to your HSA account, you can contribute money into your HSA through payroll deduction. When you complete the form for electing the HDHP/HSA Plan, you can indicate on the form how much you would like to have deducted from your paycheck each pay to contribute into your HSA account.

You will need to open an HSA account at Wright Patt Credit Union. Then you will provide the Treasurer's office with a voided check or printout of your account information from WPCU for your new HSA account so we can direct deposit the funds into your HSA.

The "maximum contribution" amounts below include both the Board and the Employee's contributions combined. These amounts are set by the IRS each year. These amounts are higher than the annual deductible for our plan. You can put in more than the amount needed to meet the deductible if you want to save more for future health care expenses. The maximum combined contributions for 2018 are: \$3,450 per single, \$6,900 per family and Employee+Kids. There is an additional \$1,000 per year catch-up contribution allowed for employees 55 or older.

What does it mean that I have to meet my deductible?

Let's say that your medical insurance deductible is \$2,500 per year. That means that for most services you will pay 100 percent of your medical and pharmacy bills until the amount you pay reaches \$2,500. Any expenses for medical or pharmacy bills above that amount for that year will be paid by insurance. Your HSA account can be used to pay out-of-pocket expenses until you meet your deductible.

How will I manage my HSA account?

Wright-Patt Credit Union will manage Mad River's HSA accounts. With Wright-Patt there are no set-up fees, no monthly maintenance/service fees, no minimum balance to open an account, free "My Health Savings Card" Visa Debit Card, free first order of HSA "My Health Savings Checks", free online banking, mobile banking and bill pay, free statements, and an attractive dividend rate.

WPCU is simply the custodian to your HSA. For technical questions about your Basic HSA and what qualifies as a medical expense, or for questions relating to taxes and HSA contributions, you will need to consult your tax advisor or go online to www.irs.gov.

What are qualified medical expenses? In order for HSA assets to retain their tax-free status, they may only be withdrawn and used for certain "qualified medical expenses" permitted under federal tax law.

What happens to the money in my HSA account if I don't use all of the money each year?

The money in your account stays in your account and carries forward to the next year. The HSA is a health savings plan. If you have money in your HSA account at the end of the year, you can use it for qualified medical expenses in future years according to IRS regulations.

What happens to the money in my HSA account when I retire?

The money in your account stays in your account. The HSA is a health savings plan. If you have money in your HSA account when you retire you can take it with you and use it for qualified medical insurance and medical expenses in retirement according to IRS regulations.

Do I still present my United Healthcare medical insurance card to the doctor or hospital?

Yes. Your insurance plan is still with United Healthcare and you are still entitled to the negotiated rates between UHC and physicians/hospitals.

What do I do when I go to the doctor or hospital?

- Show your United Healthcare medical insurance card to the medical provider
- Do NOT pay anything at this time
- The medical provider will bill United Healthcare
- Once the bill has been finalized, you will pay at that time. You should go online to **www.myuhc.com** and review your EOB (Explanation of Benefits). This will be the final amount that you will pay. The EOB specifically shows: health plan discount, what you owe to a provider, and deductible accumulators.
- You will use your HSA account to make payments directly to the provider or facility

Do I still present my CVS Caremark prescription card at the pharmacy?

Yes. The pharmacist will enter your insurance information and the discounted carrier price will be automatically calculated. You will pay 100% of the cost of the prescription using your HSA account until you have met your deductible.

CVS Caremark will receive claim information and then forward to UHC; UHC applies to your deductible amount.

Pharmacy payments apply to your deductible as long as you use your prescription card at the pharmacy.

Do I pay the full cost of a prescription with the HDHP (high deductible health plan)/HSA until I meet my deductible?

Yes, but keep in mind that you want to show your CVS Caremark prescription card to ensure that your deductible amount is applied to your account.

What happens if I am admitted to the hospital, do I pay the full cost?

Whatever part of your deductible you haven't met for the year is what will be due. And then once you have met your deductible there will be no further cost to you.

You should NOT pay anything until the hospital bills United Healthcare and after you review your Explanation of Benefits (EOB) on myuhc.com website.

With the HDHP/HSA do I pay for well visits?

No, as long as they are coded as a well visit. If the doctor determines there are other issues during this visit, then the coding may no longer be for a well visit.

How do I know where to go to get bloodwork, an MRI, testing, find a new doctor, etc. at a reasonable cost to me?

The EPC has contracted with COMPASS. Effective January 1, 2018, this service is free to employees who hold an HSA account. With COMPASS you have unlimited access to a healthcare expert, unbiased doctor recommendations, hospital cost and quality information, bill reconciliation, complete guidance for your healthcare, and insider information on saving money.

If I have an HDHP with an HSA, can I also have a medical flexible spending account?

No, if you have an HSA, you cannot also have a flexible spending account for medical expenses. Your HSA will function like a flexible spending account except with an HSA, you get to keep any leftover funds at the end of the year in your HSA account. There is no “use-it-or-lose-it” provision with an HSA like there is with a flexible spending account.

What happens the Board contribution amount to my HSA if my family status changes from Single to Married or vice versa during the year?

If you have a “qualifying event” that allows you to change your health plan status during the year, your Board HSA contributions will be pro-rated for the year based on the number of months in the year for each status (i.e. Single or Family).