

HSA eligibility and opting out of your HealthEquity® HSA

HSA eligibility

Under federal law, contributions to a Health Savings Account (HSA) from eligible individuals and contributions made on behalf of eligible individuals by their employers are not taxed. Interest, investment earnings and disbursements from the HSA for eligible medical expenses are also not subject to taxes. In order to enjoy the tax-free benefits of an HSA, employees must be eligible under IRS rules.

To be considered an eligible individual and qualify for an HSA, an employee must meet the following requirements:

- Employee must be covered by an HSA-qualified high deductible plan (MESSA ABC plans are HSA-qualified).
- Employee cannot be claimed as a dependent on someone else's tax return.
- Employee with an HSA-qualified high deductible health plan cannot be covered by another person's health plan that is not HSA-qualified.
- If an employee's spouse has a non-HSA-qualified health plan, that employee can still be eligible for an HSA provided the employee is not covered by the spouse's plan.
- Employee cannot be enrolled in Medicare or Medicaid.
- Employee cannot have utilized VA benefits in the three months leading up to enrollment in the HSA plan.
- An employee covered by a high deductible health plan and a medical Flexible Spending Account (FSA) or a Health Reimbursement Account (HRA) that reimburses qualified medical expenses generally cannot make contributions to an HSA.

For additional information on eligibility, review IRS Publication 969 at www.irs.gov/publications/p969.

Your HealthEquity HSA:

When MESSA receives your enrollment information for MESSA ABC, we will inform HealthEquity to activate your free HSA account. Soon after enrollment you should receive a welcome kit and Visa® Health Account card directly from HealthEquity. In order to use your Visa® Health Account card to pay for qualified medical expenses, the HSA account must contain adequate funds. Please note: Some employee groups may bargain or choose to use a different HSA administrator than HealthEquity. If you are unsure about your group, check with your association leadership or employer's business office.

Opting out of your HealthEquity HSA:

If you are enrolled in a MESSA ABC plan and aren't sure you are eligible to make contributions to an HSA, check with your tax adviser or legal counsel. If you want to opt-out and close your HealthEquity HSA account, call HealthEquity's Member Services department at 877.218.3432.

Questions?

If you have questions about your MESSA ABC medical plan, go to www.messa.org/MESSAABCs or call MESSA's East Lansing-based Member Service Center at 800.336.0013.

If you have questions about your HealthEquity HSA, go to www.healthequity.com or call HealthEquity's Member Services department at 877.218.3432.