

HEALTH SAVINGS ACCOUNT (HSA)

WELCOME KIT



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YOUR HSA

A Health Savings Account, also known as a HSA, is an individually owned, tax-favored account that allows consumers to pay for qualified health care expenses. A HSA must be coupled with a high-deductible health plan (HDHP) to receive the tax advantages allowed by the IRS. Premiums associated with a HDHP should be lower than a traditional plan, allowing employees to capture the savings to fund a HSA. Similar to a 401(k) savings plan, individuals can make tax-deductible contributions into a HSA and the account can earn interest tax free. HSA funds can then be used to pay for any qualified, out-of-pocket medical expense. HSAs are also commonly used to pay for deductible and prescription drug expenses. Once the deductible is met, the health plan begins paying some or all covered expenses, depending on the plan selected.

Who is eligible to participate in a HSA?

In general, to be eligible for a HSA, you must meet the following criteria:

1. You must be covered under a qualified HDHP and cannot have other health care coverage.
2. You cannot be enrolled in Medicare.
3. You cannot be claimed as a dependent on someone else's tax return.

What are the benefits of a HSA?

HSAs provide several tax and cost-savings benefits.

1. By combining a HSA with a qualified HDHP, you can reduce your insurance premiums.
2. Known as a triple-tax savings account, contributions are made tax free, grow tax free and can be withdrawn tax free to pay for a variety of qualified medical expenses, many of which are not covered by traditional health insurance plans (including dental visits, prescription drugs, eyeglasses, contact lenses and chiropractor).
3. Unlike other benefit accounts, unused funds are rolled over annually enabling them to be used for future expenses.

How much can I contribute to a HSA?

HSA & HDHP IRS LIMITS	2018	2019
HSA Contribution Limit		
• Individual	\$ 3,450	\$ 3,500
• Family	\$ 6,900	\$ 7,000
Catch-up Contribution (55 or older)	\$ 1,000	\$ 1,000
HDHP Minimum Deductible		
• Individual	\$ 1,350	\$ 1,350
• Family	\$ 2,600	\$ 2,700
HDHP Maximum Out-of-Pocket Amount		
• Individual	\$ 6,650	\$ 6,750
• Family	\$ 13,300	\$ 13,500

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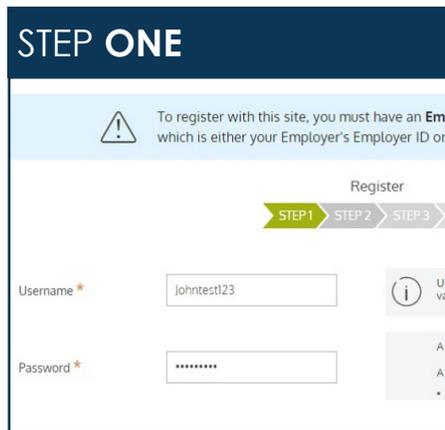
ONLINE REGISTRATION

Accessing your account through the online member portal will enable you to submit claims electronically for faster approval, access balance and claims history, important communications and more.

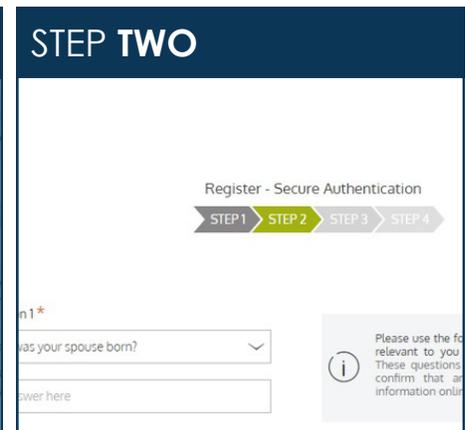
Setting up your account for online access is easy! Just follow the steps below. (For additional help you can download the Registration Guide with step-by-step screen shots at www.NueSynergy.com.)



- Go to www.NueSynergy.com
- Click Log in > Member Registration



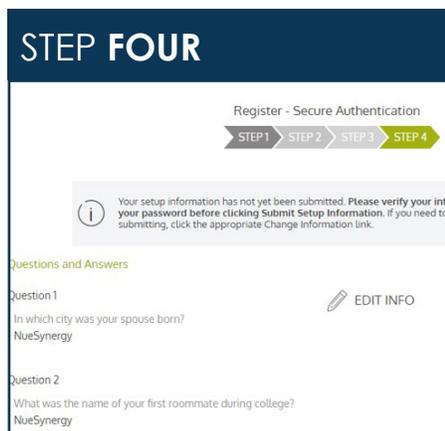
- Read **all instructions**
- Start by creating a username
- Fill out remaining required fields
- Accept terms of use
- Click next



- Fill out **security questions**
- Click next



- Confirm your **email address**
- Click next



- Confirm **your information**
- Click submit



- You've successfully completed the registration process

ACCESSING YOUR HSA ONLINE

STEP ONE

• After registering, sign in to your account and click your account on the Personal Dashboard



STEP TWO

• You can manage your HSA by selecting the tabs located above your account summary



FEATURE GUIDE

- 1. Account Details:** Provides overview of all benefit accounts (FSA, HRA, HSA, etc.)
- 2. Accounts List:** Access your account summary, including YTD balance and contributions.
- 3. Contributions:** Provides real time current year contribution totals, previous year contributions, and IRS limits. Enables you to make a post-tax contribution to your HSA, add other personal accounts you want to use to fund your HSA, as well as track pending contributions.
- 4. Transactions:** All transaction activity on your account detailed with transaction date, type, description, and plan year.
- 5. Investment:** Once you have reached minimum balance of \$3,500 in your HSA you can establish an investment account with no monthly fee.
- 6. Bill Pay:** Here you can either schedule a check payment to your doctor or reimburse yourself for an out-of-pocket expense.



NUESYNERGY MOBILE APP

NueSynergy is excited to offer you a new way to access your account! By downloading the NueSynergy Mobile app on either your Apple or Android mobile device, you will have a single access point to manage your HSA.



NueSynergy Mobile **enables you to:**

- View your HSA Account Balance and Plan Details
- View your Account Balance and Plan Details
- Review Recent Transactions and Details
- View all email and SMS alerts
- Contact administrator from mobile application via email or mobile phone
- Take a photo of a receipt or bill and attach it to a new or existing claim or debit card transaction for recordkeeping

You can download the NueSynergy Mobile Application by going to either the App Store on your Apple device or GooglePlay on your Android and searching for NueSynergy:

STEP ONE

- Access App Store (iPhone) or GooglePlay (Android)
- Search for NueSynergy
- Select install and accept 'app permissions'
- Select the app once NueSynergy Mobile is downloaded



STEP TWO

- Sign in using the same username and password as for your Participant Portal at www.NueSynergy.com
(If you have not setup your account on the participant portal, you will need to do so before signing onto NueSynergy Mobile)

HSA DEBIT CARD

The NueSynergy HSA debit card provides a convenient method to pay for out-of-pocket medical expenses for you, your spouse and/or any tax dependents. The card is a convenient benefit, but it is important that you take a moment and understand how it works.

Where is the NueSynergy HSA debit card accepted?

Participants can use the HSA debit card at qualified merchants to pay for items such as:

- Office visit co-pays
- Deductible-related expenses
- Prescriptions
- Dental work (including orthodontia)
- Eyeglasses & contacts

How does NueSynergy verify that the HSA debit card is used only for qualified expenses?

The IRS-imposed limitations help ensure that the card is used only for qualified expenses. When the card is swiped at a qualified merchant and there is a sufficient balance available in the participant's HSA, the qualified purchase will be paid directly from the Health Savings Account. The IRS requires participants to keep all receipts for HSA expenses for seven years in the event of a tax audit.

All plan communication pertaining to your account activity is provided solely via email at the www.NueSynergy.com website. It is important to notify NueSynergy if you change your email address.

What are the advantages of using the NueSynergy HSA debit card?

Participants who use the card at qualified merchants may pay for eligible expenses without having to reimburse themselves later. Participants can logon to www.NueSynergy.com for real-time, online account information including balance, deposits made to date and a list of pending and completed payments.

ELIGIBLE HSA EXPENSES

Health Care Expenses

The IRS allows certain medical, dental, vision, and related services to be reimbursed through an HSA. Below is a partial list of expenses that qualify for HSA reimbursement. OTC medications prescribed by a physician, while not listed below, are still eligible for HSA reimbursement. This list is subject to change and without notice due to new legislation. For a complete list, log on to www.NueSynergy.com.

Medical Expenses	Medical Expenses
Acupuncture	Drug dependency treatments
Alcoholism treatment	Drugs (prescriptions)
Ambulance service	Eye Surgery (includes cataract, LASIK, corneal rings, etc.)
Artificial limb/teeth	Physical therapy
Bandages, Band-Aids, wraps, and splints	Pregnancy test kits
Breast-reconstructive surgery following a mastectomy	Psychologist fees
Birth control pills (Norplant, ovulation kits)	Schools and education (for mentally impaired or physically disabled person – see IRS publication 502)
Braille books and magazines	Special home for person adjusting from life in mental institution to community living
Chiropractor professional fees	Sterilization procedures (vasectomy or tubal ligation)
Christian Science Practitioner fees	Stop-smoking program
Contact Lenses/solution	Surgical fees (for legal operations not cosmetic in nature)
Contraceptives	Therapy, physical or speech
Crutches/braces & supports	Eyeglasses, prescription
Dental treatment (exams, x-rays, fillings, root canals, dentures, and orthodontia; cosmetic treatments not allowed)	Fertility treatment (ovulation predictor kits and pregnancy tests, in vitro fertilization, reverse a prior surgery that prevents you from having children)
Diagnostic services and tests	Guide dog or other animal used to assist persons with physical disabilities

ELIGIBLE HSA EXPENSES

Health Care Expenses (cont'd)

Medical Expenses	Medical Expenses
Health institute	Transplants (donor expenses, if you)
Hearing aids and batteries	Transportation and related travel expenses for person seeking treatment (see IRS Publication 502)
Hospital services	Treatment for learning disability caused by mental or physical impairment or nervous system disorders (treatment must be recommended by physician – see IRS Publication 502)
Insulin, syringes	Vaccinations
Laboratory fees	Weight-loss program (only if medically necessary to treat existing disease and prescribed by a physician)
Lead-based paint removal	Wheelchair
Legal fees (to authorize treatment for mental illness)	Wigs (if purchased upon advise of physician for mental health of patient)
Meals (only as part of inpatient hospital care)	X-ray fees
Nursing home (if necessary for medical care)	
Nursing services	
Operations (legal operations that are not cosmetic in nature)	
Orthodontia	
Orthopedic devices	
Osteopath fees	
Oxygen equipment	

INVESTMENT ACCOUNT

Taking advantage of the investment offering is a great way to put your HSA dollar's to work and help increase the amount of money you have to help pay for medical expenses in the future. In order to establish an investment account, you must first have a \$1,000 balance in your HSA. Once you open your investment account you will be able to invest any amount above the \$1,000 minimum in your HSA. There is a monthly fee of \$2.50 for the investment account; however, this is waived as long as you maintain an average monthly balance of \$3,500 in your HSA. Below are instructions to help you getting started.

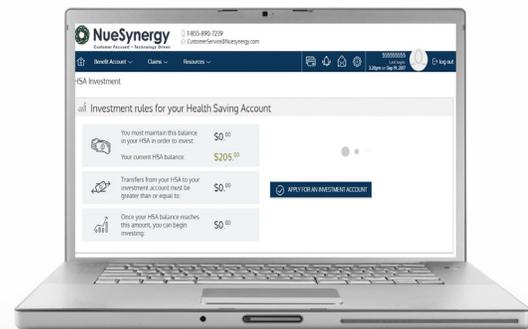
STEP ONE

- To see your investment options or current status to invest, click on your HSA account under 'Your Accounts' and choose the 'Investment' tab.



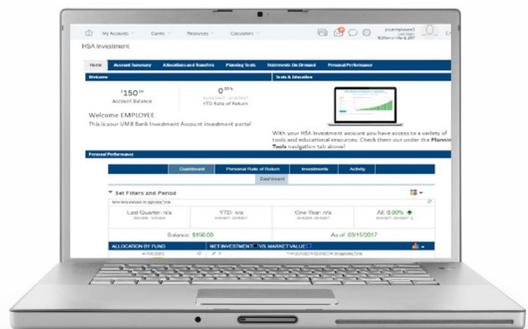
STEP TWO

- Once you have reached the minimum balance requirement in your HSA, you will have the option complete the investment account application.



STEP THREE

1. After you have completed setting up your investment account, the 'Investment' tab will now direct you to your investment summary page going forward. From here, you can navigate to see the investment summary, adjust allocations, see monthly statements and more.



COMMON FAQs

Below is a list of answers to commonly asked questions. A complete list of can be found by going to www.NueSynergy.com.

ELIGIBILITY

Q: Can an individual have an HSA and an FSA or HRA at the same time?

A: Yes, provided that the FSA or HRA is set up as a limited purpose FSA or HRA (typically used to pay for vision and dental expenses) or post-deductible FSA or HRA. A post-deductible FSA or HRA allows funds to be available after the minimum HSA deductible has been satisfied.

Q: Can a person have more than one Health Savings Account?

A: Yes, as long as the combination of the contributions to the accounts do not exceed the yearly contribution limit.

Q: What happens if an account holder is no longer covered under an HSA eligible high-deductible health plan?

A: The account holder can continue to use the funds in the HSA to pay for eligible medical expenses. However, they cannot make additional contributions to the account if they are no longer covered under a qualified high deductible health plan.

Q: What happens when an account holder turns 65?

A: If they enroll in Social Security they automatically enroll for Medicare Part A. Enrollment in Medicare makes the account holder no longer eligible to contribute to their HSA. They can still use the funds to pay for medical expenses. At age 65, if the account holder withdraws HSA funds for ineligible expenses, they will pay taxes but no penalty. If they do not enroll in Medicare they can still contribute to their HSA.

Q: Beginning September 23, 2010, a parent can allow a child to stay on the family insurance until the age of 26. Can the parent use the HSA money to pay for medical expenses for that child?

A: HSA dollars can be spent on the account holder's spouse and any people claimed as dependents on the account holder's taxes. If a child is covered by the insurance but is NOT a dependent on the account holder's taxes, HSA dollars cannot be spent for the child's medical expenses. However, as long as they are otherwise eligible, the child can open his/her own HSA and contribute up to the family amount to the account.

COMMON FAQs (cont'd)

TAX REPORTING

Q: What tax forms will the account holder receive online for the HSA?

A: The account holder's IRS Form 1099-SA and IRS Form 5498-SA will be available online by logging into their account at www.NueSynergy.com. The account holder will find their tax forms by going to HSA Account Details and selecting the "Tax Forms" link.

Form 1099-SA: Is available by January 31st and details the total distributions (withdrawals) made from the HSA during the previous tax year. **IMPORTANT NOTE:** The account holder will only receive this tax form if they had distributions during the previous tax year.

Form 5498-SA: Is available by May 31st and details the total contributions (deposits) made to the HSA during the previous tax year. **IMPORTANT NOTE:** The account holder will only receive this tax form if they had contributions during the previous tax year.

Q: Why won't the account holder receive IRS Form 5498-SA until May 31?

A: Account holders have until April 15 to make contributions to the HSA for the previous year. The IRS allows Form 5498-SA to be sent after the contribution deadline to ensure that all contributions (including those made before April 15 for the previous year) are reported.

Q: Do account holders have to send copies of these forms to the IRS?

A: No. NueSynergy's custodian bank partner, Avidia, sends a copy to account holders and to the IRS. Account holders should keep the copy they receive for their records.

Q: What if there is a mistake on one of the tax forms?

A: If an account holder notices an error on one of the tax forms they receive from NueSynergy's custodian bank partner, Avidia, they should notify NueSynergy immediately of the error at 855.890.7239.

Q: What if both spouses have their own HSA – do each have to complete a separate Form 8889?

A: Yes. If both spouses have their own HSA, they must both complete separate forms.

Q: What tax forms do account holders need to complete for the HSA?

A: In addition to completing their IRS Form 1040, account holders may also need to complete IRS Form 8889 and submit it with their tax return. The purpose of Form 8889 is to report any contributions made to the HSA (whether made by the account holder, the employer, or both), and to report distributions made from the HSA. If the account holder (or someone on his/her behalf, such as the employer) made contributions to the HSA, they received distributions from the HSA, or they acquired an interest in an HSA due to the death of the account owner during the previous tax year, they must file Form 8889.

COMMON FAQs (cont'd)

DISTRIBUTIONS

Q: Can an account holder pay for over-the-counter drugs and medicines with the HSA?

A: Beginning on January 1, 2011, qualified medical expense for HSAs no longer include over-the-counter drugs unless it is accompanied by a prescription or is insulin.

Q: Can an account holder reimburse themselves for medical expenses that occurred prior to the account opening?

A: No, only medical expenses that occur after the account is opened and has a positive balance can be reimbursed from the account.

Q: What if the account holder made a non-qualified distribution from the HSA?

A: If the account holder withdraws funds from the HSA for a non-qualified expense, they must report the amount as income on IRS Form 8889 and pay an additional 10% tax on the amount of the non-qualified distribution. This tax is increasing to 20% on January 1, 2011.

There are several exceptions to the additional tax, including distributions made after the account owner dies, becomes disabled, or turns 65. If they made a non-qualified distribution and any of these exceptions applies, they can indicate that information on Form 8889.

They can also repay a mistaken distribution to the NueSynergy HSA provided the distribution was made because of a mistake of fact. They have until April 15 of the first year following the year in which they knew or should have known the distribution was a mistake. To replace a mistaken distribution taken from the NueSynergy HSA, they can simply complete a Distribution Reversal Form available at www.NueSynergy.com or contact customer service for assistance at 855.890.7239.

Q: If an account holder pays a medical expense out of pocket, how do they reimburse themselves from the HSA?

A: Account holders can reimburse themselves by signing into their account at www.NueSynergy.com. Once online, select Health Savings Account from "Your Accounts" section on the Personal Dashboard. Choose the "Bill Pay" tab once on the HSA Account Details page.

COMMON FAQs (cont'd)

CONTRIBUTIONS

Q: What if the account holder over-contributes to the HSA?

A: To withdraw an excess contribution made to the NueSynergy HSA, an account holder can simply complete an HSA Distribution Form and indicate the information pertaining to the excess contribution under the section "Distribution Reason." You can also call one of our HSA customer service members who can assist you with the process.

Q: Who can contribute to an HSA?

A: Any individual who meets the eligibility requirements can contribute to an HSA. The employee, the employer, or both can contribute to the HSA in a given year. HSA contribution limits are determined by the IRS and adjusted annually for inflation.

Q: What is the latest date one can make a contribution to an HSA?

A: Account holders have until April 15 of the following year to make contributions for the current tax year. The contribution must be credited to the account by April 15. All deposits are credited as current year contributions unless otherwise noted.

NUESYNERGY CONTACT US

Have questions about your account? NueSynergy is here to help! Our knowledgeable team will make sure you get the support you need. We look forward to hearing from you.



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855.890.7239(ext. 1)



customerservice@nuesynergy.com

NueSynergy **ABOUT US**

Since 1996, NueSynergy has provided clients with full-service administration of consumer-driven and traditional account-based plans, as well as COBRA administration. Located in Leawood, Kansas, we have built a reputation throughout the US with both Fortune 1000 corporations and small businesses for our technology-based solutions and knowledgeable, personalized service. All operational divisions from executive management to customer service are housed at our corporate headquarters. This operational design translates into improved communication and operational efficiencies, ensuring clients receive faster, seamless service. NueSynergy offers a fully integrated suite of administration services, managed by subject matter experts with an average of 10 years direct industry experience.

Our administration services include:

- Flexible Spending Arrangements
- Health Savings Accounts
- Health Reimbursement Arrangements
- COBRA
- Direct Bill
- Consolidated Billing



NueSynergy

CUSTOMER FOCUSED • TECHNOLOGY DRIVEN