



# HEALTH SAVINGS ACCOUNT (HSA)

*Welcome Kit*



# ABOUT NUESYNERGY

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 U.S. 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 Accounts
- Health Savings Accounts
- Health Reimbursement Arrangements
- COBRA
- Direct Bill
- Combined Billing

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. We can be reached at 855.890.7239 Monday-Friday from 7:30 a.m. – 7:00 p.m., CST or by email at [customerservice@nuesynergy.com](mailto:customerservice@nuesynergy.com).

## YOUR HSA

### What is an HSA?

A Health Savings Account (HSA) is an individually owned, tax-favored account that allows consumers to pay for qualified healthcare expenses. An HSA must be coupled with a High Deductible Health Plan (HDHP) to receive the tax advantages allowed by the IRS. Premiums associated with an HDHP should be lower than a traditional plan, allowing employees to capture the savings to fund an HSA. Similar to a 401(k) savings plan, individuals can make tax-deductible contributions into an HSA and the account can earn interest tax free. HSA funds can then be used to pay for any qualified, out-of-pocket medical expenses. 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 an HSA?

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

1. You must be covered under a qualified HDHP and cannot have other healthcare 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 an HSA?

HSAs provide several tax and cost-savings benefits.

1. By combining an 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 visits).
3. Unlike other benefit accounts, unused funds are rolled over annually, enabling them to be used for future expenses.

# 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](http://www.nuesynergy.com).

Your Employer ID Number is:

## Step One

- Go to [www.nuesynergy.com](http://www.nuesynergy.com).
- Click **Log in > Member Registration**.



## Step Two

- Read all instructions.
- Start by creating a username.
- Fill out remaining required fields.
- Accept terms of use, and click **Next**.

To register with this site, you must have an **Employee ID** and a **Registration ID** which is either your Employer's Employer ID or your Benefit Debit Card Number

Register

STEP 1 STEP 2 STEP 3 STEP 4

Username:

Username must be at least six characters (k value)

Password:

A valid password must contain between 8  
A password must contain 3 of the following

- AN UPPER CASE LETTER

## Step Three

- Fill out security questions.
- Click **Next**.

Register - Secure Authentication

STEP 1 STEP 2 STEP 3 STEP 4

Select Question 1\*

In which city was your spouse born?

Type your answer here

Select Question 2\*

Please use the following list to c relevant to you and then ente These questions may be asked confirm that an authorized ir information online.

## Step Four

- Confirm your email address.
- Click **Next**.

Register - Secure Authentication

STEP 1 STEP 2 STEP 3 STEP 4

First Name: John

Last Name: Test

Confirm Email\*:

The email address entered is is not used for solicitation pu

## Step Five

- Confirm your information.
- Click **Next**, and you're finished!

Register - Secure Authentication

STEP 1 STEP 2 STEP 3 STEP 4

Your setup information has not yet been submitted. Please verify your information bet your password before clicking Submit Setup Information. If you need to make a chan submitting, click the appropriate Change Information link.

### Questions and Answers

Question 1

In which city was your spouse born?  
NueSynergy

EDIT INFO

# 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, you will have a single access point to manage your HSA.



NueSynergy Mobile enables you to:

- View your HSA balance and plan details
- Review recent transactions
- View all email and SMS alerts
- Contact administrator via email or mobile phone
- Upload a photo of a receipt or bill to attach to a claim or debit card transaction for recordkeeping

## Step 1

- 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 2

- Sign in using the same username and password for your participant portal at [www.nuesynergy.com](http://www.nuesynergy.com). (If you have not yet registered your account online, you can do so on the mobile app by selecting the **Register** button at the bottom of the sign on screen.)

# 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. It is important that you take a moment and understand how the card 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 and contacts

## How does NueSynergy verify 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. It is important to notify NueSynergy if you change your email address.

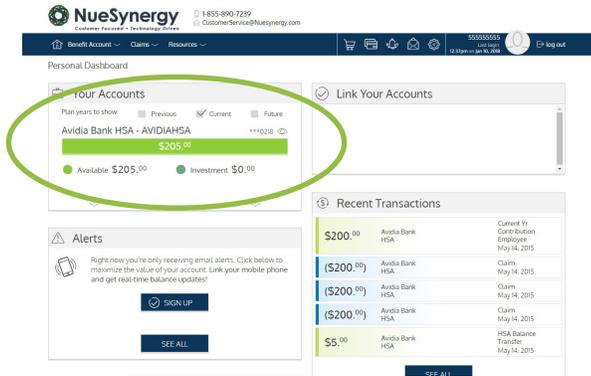
## What are the advantages of using the NueSynergy HSA debit card?

Participants who use the card at qualified merchants may pay for eligible expenses without having to reimburse themselves later. Participants can log on to [www.nuesynergy.com](http://www.nuesynergy.com) for real-time, online account information including balance, deposits made to date, and a list of pending and completed payments.

# CHANGING DELIVERY PREFERENCES

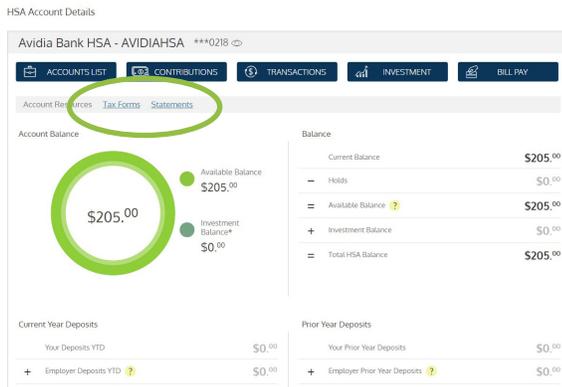
## Step One

- Log into your account. You should see the screen below. Click on your account.



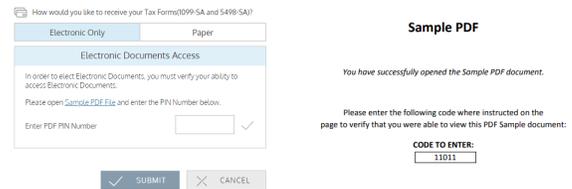
## Step Two

- Once you click on your account, you will be brought to the screen below. If you have not changed your preferences, you will see a message asking you to opt for electronic delivery. Click on **Tax Forms** or **Statements** to begin.



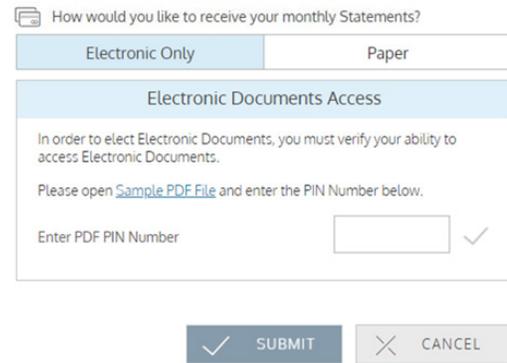
## Step Three

- Next, you will be brought to the screen below. Make sure you select **Electronic Only** (highlighted in blue) and open the sample PDF. **PDF PIN number is 11011.**



## Step Four

- Hit Submit to save your preferences and take you to your tax forms. Go back to your home page and repeat steps 2-5 for the Statements column. (Example below).



To ensure your preferences are done properly, go back to your personal dashboard. If the **Go Green! Opt for electronic delivery today and avoid additional fees** message is gone, then you're good to go. If you have any questions give us a call or shoot us an email.

# ELIGIBLE HSA EXPENSES

## Healthcare 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. Over-the-counter (OTC) medications prescribed by a physician, while not listed below, are still eligible for HSA reimbursement. This list is subject to change without notice due to new legislation. For a complete list, log on to [www.nuesynergy.com](http://www.nuesynergy.com).

- Acupuncture
- Alcoholism treatment
- Ambulance service
- Artificial limb / teeth
- Bandages, Band-Aids, wraps, and splints
- Breast-reconstructive surgery following a mastectomy
- Birth control pills (Norplant, ovulation kits)
- Braille books and magazines
- Chiropractor professional fees
- Christian Science Practitioner fees
- Contact lenses / solution
- Contraceptives
- Crutches / braces and supports
- Dental treatment (exams, x-rays, fillings, root canals, dentures, and orthodontia; cosmetic treatments not allowed)
- Diagnostic services and tests
- Drug dependency treatments
- Drugs (prescriptions)
- Eye surgery (includes cataract, LASIK, corneal rings, etc.)
- Physical therapy
- Pregnancy test kits
- Psychologist fees
- Schools and education (for mentally impaired or physically disabled person – see IRS publication 502)
- Special home for person adjusting from life in mental institution to community living
- Sterilization procedures (vasectomy or tubal ligation)
- Stop-smoking program
- Surgical fees (for legal operations not cosmetic in nature)
- Speech therapy
- Eyeglasses, prescription
- Fertility treatment (ovulation predictor kits and pregnancy tests, in vitro fertilization, reverse a prior surgery that prevents you from having children)
- Guide dog or other animal used to assist persons with physical disabilities
- Health institute
- Hearing aids and batteries
- Hospital services
- Insulin, syringes
- Laboratory fees
- Lead-based paint removal
- Legal fees (to authorize treatment for mental illness)
- Meals (only as part of inpatient hospital care)
- 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
- Transplants (donor expenses, if you)
- Transportation and related travel expenses for person seeking treatment (see IRS Publication 502)
- Treatment for learning disability caused by mental or physical impairment or nervous system disorders (treatment must be recommended by physician – see IRS Publication 502)
- Vaccinations
- Weight-loss program (only if medically necessary to treat existing disease and prescribed by a physician)
- Wheelchair
- Wigs (if purchased upon advice of physician for mental health of patient)
- X-ray fees

# INVESTMENT ACCOUNT

Taking advantage of the investment offering is a great way to put your HSA dollars 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 get you started.

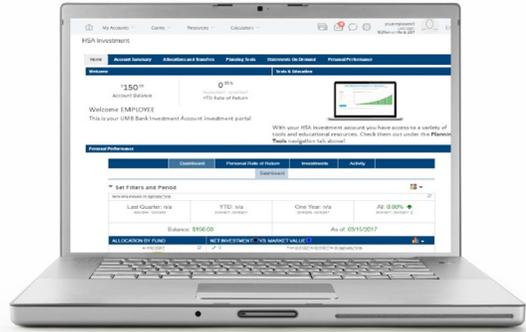
## Step One

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



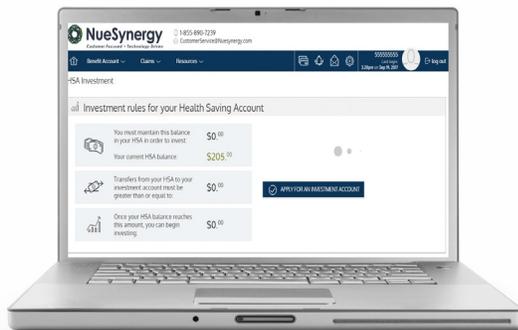
## Step Three

- 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.



## Step Two

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



# FREQUENTLY ASKED QUESTIONS

## Eligibility

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

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 a post-deductible FSA or HRA. A post-deductible FSA or HRA allows funds to be available after the minimum HSA deductible has been satisfied.

### Can a person have more than one Health Savings Account?

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

### What happens if an account holder is no longer covered under an HSA eligible High-Deductible Health Plan?

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.

### What happens when an account holder turns 65?

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.

### 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?

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.

## Tax reporting

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

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](http://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 31 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 31 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.

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

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.

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

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.

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

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.

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

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

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

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.

## Distributions

### Can an account holder pay for OTC drugs and medicines with the HSA?

As of January 1, 2011, qualified medical expenses for HSAs no longer include over-the-counter drugs unless it is accompanied by a prescription or is insulin.

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

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

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

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 20% tax on the amount of the non-qualified distribution.

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](http://www.nuesynergy.com).

[nuesynergy.com](http://www.nuesynergy.com) or contact customer service for assistance at 855.890.7239.

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

Account holders can reimburse themselves by signing into their account at [www.nuesynergy.com](http://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.

## Contributions

### What if the account holder over-contributes to the HSA?

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 to assist you with the process.

### Who can contribute to an HSA?

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.

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

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.

### Further Questions?

NueSynergy is the administrator for your plan. We can be reached at 855.890.7239 Monday-Friday from 7:30 a.m. – 7:00 p.m., CST. A complete list of questions can be found at [www.nuesynergy.com](http://www.nuesynergy.com).