

# EECU Makes It Easy For You To Make The Most Of Your HSA

Enclosed is everything you need to help you learn how to use your HSA.

## Getting Started

Maximize savings for your healthcare and your future with an EECU HSA, getting started is easy.

### Step 1:

#### Sign up for Online Account Access

At [www.eecu.org](http://www.eecu.org) home page, click the “Sign Up” link in the Online Banking Login box. Then, you can manage your account anytime, anywhere.

### Step 2:

#### Read This Guide

Learn how to make contributions, payments and manage your account.

### Step 3:

#### Activate Your Debit Card

Your new EECU HSA Mastercard® Debit Card and Personal Identification Number (PIN) will arrive separately in the mail for security.

## Now you're ready to maximize your savings!

### Have a question?



**Call** 817-882-0800. We're here to help you make the most of your Health Savings Account. EECU Member Service contact center hours of operation are Monday through Friday from 8:00 am to 6:30 pm CT, Saturday 9:00 am – 1:00 pm CT and closed on Sunday.



**Chat** with a Member Service Representative, at [eeecu.org](http://eeecu.org), regarding your HSA or send a secure email to Member Services through EECU online banking.



**Stop by** a local EECU branch for in-person assistance; branch locations can be found at [www.eecu.org/locations-atms/](http://www.eecu.org/locations-atms/).

# Here's How We Make Saving For Healthcare Expenses Easy, Convenient and Valuable

## Making It Easy

### Easy to Contribute

You can make pre-tax, current year contributions through your employer payroll deduction or make post-tax, current year contributions directly online or at an EECU branch office.

### Easy to Make Payments

EECU offers three easy ways. You can pay qualified medical expenses<sup>1</sup> with your EECU HSA Debit Mastercard®, through EECU's free online banking and bill pay or by writing an HSA check (optional, fees apply<sup>2</sup>). You can also pay out-of-pocket for eligible medical expenses and then reimburse yourself from your HSA.

### Easy to Manage Your Account

You can easily access your EECU HSA anytime, anywhere online or from your smartphone or tablet at eecu.org and manage your account on the go. Have a question or need help with a transaction, we're here to help on the phone, online thru chat or in person at a branch.

### Easy to Grow

Your EECU HSA is federally insured, pays out a competitive dividend rate and has no monthly fees, so you can maximize your savings.

## HSA Overview

- Requires a qualifying high deductible health plan (HDHP)
- Used to pay for qualified medical expenses
- Funded by you, your employer or others
- Account funds belong to you

## Qualified Medical Expenses

Use your HSA to pay for qualified medical expenses, as defined by the Internal Revenue Service, for yourself, your spouse or tax dependents<sup>1</sup>. Here are some examples:

- Acupuncture
- Ambulance Service
- Chiropractor
- Dental Care
- Doctor's Fees
- Hearing Aids
- Laboratory Fees
- Prescription Drugs
- Surgery
- Vaccines
- Vision Care
- Wheel Chairs
- X-Rays

A list of Eligible Medical Expenses can be found in IRS Publication 502 - Medical and Dental Expenses.<sup>1</sup>

**Save your receipts** – for all qualified medical expenses. EECU does not verify eligibility. You are responsible for making sure payments are for qualified medical expenses.

## Making It Convenient

### Here's How To Contribute

- **Payroll Contributions & Deductions** – if your employer offers these options, provide them these two numbers:
  - » EECU Routing Number: 311981614
  - » Your EECU HSA Account Number, which can be found by logging into EECU Online Banking; go to “My Accounts” click on HSA Checking, then “See account details” and it will be listed across from “ACH Number”
- **Online Transfers** – sign-up for online banking at [eeecu.org](http://eeecu.org), then follow the “How to Make Transfers” instructions.
- **Check** – Stop by your local EECU branch or use EECU’s mobile deposit feature to deposit a check.

### Here's How To Make Payments

- **HSA Debit Card** – use your EECU HSA Mastercard® debit card to pay healthcare providers at point-of-sale or by following the instructions provided on a bill from a medical provider.
- **Online Bill Pay** – sign up, at [eeecu.org](http://eeecu.org), and use EECU’s free online banking and bill pay to make payments to medical providers directly from your HSA.
- **Online Transfers** – use EECU’s online banking or mobile app; reimburse yourself for out-of-pocket expenses by making a transfer from your HSA to your personal checking or savings account.
- **Check** – optional HSA checks can be ordered upon request for a fee<sup>2</sup>. You can use these checks to pay healthcare providers and suppliers.

### Here's How To Manage Your Account

- **Online** - check your balance, pay healthcare providers and arrange deposits; sign-up for online banking at [www.eecu.org](http://www.eecu.org).
- **Mobile** - EECU’s mobile app allows you to manage your account on the go; download “EECU Mobile Banking” in Apple’s App Store and Google Play.
- **Contact Member Service** – call 817-882-0800 for help with your HSA questions or transactions. You can also chat with us online at [eeecu.org](http://eeecu.org) or use our secure email. Member Service is available Monday through Friday from 8am – 6:30pm CT, Saturdays from 9am – 1pm CT and closed on Sunday.
- **Account Statements** – monthly account statements show all your account activity for that period. You can receive free online statements or pay \$2 per printed statement. You will also receive an IRS 1099 form and a 5498-SA form near tax time.

## Thank you for choosing EECU for your Health Savings Account.

For more information about HSAs, visit [www.eecu.org/HSA](http://www.eecu.org/HSA), call one of our Member Service Representatives at 817-882-0800 or stop by a local EECU Branch. Your Benefits Administrator will also be able to provide you information about your HSA.

<sup>1</sup> A list of Eligible Medical Expenses be found in IRS Publication 502, <http://www.irs.gov/pub/irs-pdf/p502.pdf>. As described in IRS publication 969, <http://www.irs.gov/pub/irs-pdf/p969.pdf>, over-the-counter medications (when prescribed by a doctor) are considered Eligible Medical Expenses for HSA purposes.

<sup>2</sup> Call 817-882-0800 or stop by a branch to order a book of HSA Checks: 100 for \$26.95. After your first order, you will be able to re-order through EECU online banking.

## Frequently Asked Questions

### Q What is a Health Savings Account (HSA)?

**A** A Health Savings Account allows you to save money, earn interest and spend money on a tax-free basis as long as the money being spent is on qualified medical expenses<sup>1</sup>. Unused HSA funds roll over from year to year, no “use it or lose it”. You own your HSA and can take it with you when you change medical plans, change jobs or retire.

To be eligible to set up an HSA and contribute to an HSA, you must be covered by a qualified High Deductible Health Plan, have no other coverage (e.g. Medicare) and cannot be claimed as a dependent on someone else’s taxes

### Q What is a High Deductible Health Plan (HDHP)?

**A** A High Deductible Health Plan is a plan with an annual deductible of at least \$1,300 for an Individual or \$2,600 for Family coverage in 2017. The maximum out of pocket expenses, which include money applied to your deductible and your coinsurance for covered charges, must be no more than \$6,550 for Individuals and no more than \$13,100 for Family coverage in 2017. These amounts are set by the Internal Revenue Service and may change based on cost of living/inflation.

### Q How does an HSA work?

**A** Health Savings Accounts work with high deductible health insurance plans. This enables consumers to save money on health insurance premiums, since HDHP’s typically cost less than traditional health insurance, while allowing account holders to contribute money to the account to pay out-of-pocket medical expenses up to the deductible.

- **Contribute:** you can make contributions (pre-tax and after-tax) to your HSA. Pre-tax contributions can reduce your taxable income and after-tax contributions are deductible. Contributions can be made by you, your employer or a third party via payroll deduction, online banking transfer or depositing a paper check. Contributions to your HSA as well as any earnings on those contributions grow tax deferred<sup>2</sup>.
- **Make Payments:** you can pay for qualified medical expenses with your EECU HSA Mastercard® debit card, EECU Online Banking or HSA check (optional<sup>3</sup>). Payments or withdrawals from your HSA that are used for qualified medical expenses are tax-free. In addition, withdrawals can also be used for your deductible and co-pays.
- **Manage:** you can manage your HSA, check balances and account information, via EECU’s Online Banking and Mobile Banking App.

If an HSA owner reaches the age of 65, she/he can withdraw freely from the account, even for non-medical purposes. These withdrawals are not taxed, unlike non-medical withdrawals that occur before the age of 65. This allows the HSA to serve as a secondary retirement fund if not used for medical expenses<sup>2</sup>.

## Frequently Asked Questions

### Q How much can I contribute annually to an HSA?

**A** Internal Revenue Service contribution limits for 2017 are:

- Individual coverage: \$3,400
- Family coverage: \$6,750

And, accountholders age 55 and over can make a HSA catch-up contribution: \$1,000.

### Q What is a qualified medical expense?

**A** Qualified medical expenses are defined by the Internal Revenue Service and are listed in IRS publication 502. They include expenses that pay for healthcare services, equipment or medications.

Examples of IRS-qualified medical expenses<sup>1</sup>:

- Acupuncture
- Alcoholism treatment
- Ambulance
- Breast reconstruction surgery (mastectomy-related)
- Chiropractor
- Contact lenses
- Dental treatment (X-rays, fillings, braces, extractions, etc.)
- Diagnostic devices (such as blood sugar test kits for diabetics)
- Doctor's office (including physicians, surgeons, specialists or other medical practitioners) visits and procedures
- Drug addiction treatment
- Eyeglasses and exams (for medical reasons)
- Eye surgery (such as laser eye surgery or radical keratotomy)
- Hearing aids (and batteries for use)
- Hospital services
- Laboratory fees
- Nursing home
- Operations/surgery (excluding unnecessary cosmetic surgery)
- Osteopath
- Physical Therapy
- Prescription Drugs
- Psychiatric care
- Speech Therapy
- Stop-smoking programs (including nicotine gum or patches)
- Vasectomy
- Weight-loss program (to treat a specific disease diagnosed by a physician)

This list is not comprehensive. For a detailed listing, please refer to [IRS Publication 502](#), titled "Medical and Dental Expenses."

## Frequently Asked Questions

### Q What if I use the money to purchase something other than a qualified medical expense?

**A** Money in your HSA is tax-free if it used to pay for qualified medical expenses. Any funds you withdraw from your HSA for nonqualified expenses will be taxed at your income tax rate, plus a 20% penalty.

Exceptions to the 20% penalty are for distributions made after the account owner's death, disability, or attaining age 65.<sup>2</sup>

### Q How do I report withdrawals that are used for nonqualified expenses?

**A** You must report withdrawals for ineligible expenses to the IRS. Check with your tax advisor for details.

### Q If I withdraw funds from my HSA by mistake, can I return them to my account?

**A** Yes, if you mistakenly withdraw money from your HSA, you can return it to your account. Just complete and return to EECU a "Mistaken Distribution Form". You must return the funds by April 15 following the year in which you mistakenly withdrew the money. You can access the "Mistaken Distribution Form" online at [www.eecu.org/HSA](http://www.eecu.org/HSA), by contacting EECU Member Services at 817-882-0800 or visiting a local EECU branch.

### Q What are my obligations with an HSA?

**A** As the account owner, you are responsible for funding and maintaining your HSA in accordance with HSA regulations<sup>4</sup>, including:

- Ensuring that contributions do not exceed your applicable annual IRS maximum
- Ensuring that withdrawals for non-qualified expenses are added back to gross income
- Keeping records/receipts of your expenses
- Completing Form 8889 when you do your annual taxes
- Ensuring you do not have any other medical coverage (other than the HDHP) and that you cannot be claimed as a dependent on someone else's taxes

## Frequently Asked Questions

### Q What if I already have an HSA? How can I move funds from my current HSA to my EECU HSA Account?

**A** If you already have an HSA, but not with EECU, you can roll over or transfer your HSA to EECU. If you have any questions regarding this or would like assistance with HSA Rollovers or Transfers, please contact EECU at 817-882-0800, by secure email or chat online at [www.eecu.org](http://www.eecu.org) or in person at your local EECU branch.

#### To transfer funds:

Instruct your current HSA custodian to transfer your HSA funds to your EECU HSA. There are no restrictions on the number of HSA direct transfers. You do not include the amount transferred in your income for tax purposes, deduct it as a contribution or include it as a distribution from the account.<sup>2</sup>

1. Open a health savings account with EECU
2. Complete, sign and return to EECU the HSA Transfer Request Form. EECU will forward it to your current HSA custodian, instructing them to transfer your funds directly to your new EECU HSA.

#### To roll over funds:

Withdraw your HSA funds from your current HSA custodian and then roll over (deposit) them to your EECU HSA, within 60 days after the date you received the funds. You can make only one rollover contribution to an HSA during a one-year period. Rollovers are not subject to the annual contribution limits.<sup>2</sup>

1. Open a health savings account with EECU
2. Close your existing HSA
3. Deposit the funds with EECU to roll into your new HSA

Rollovers and transfers are subject to IRS restrictions. Please contact your tax advisor for additional information.

### Q What happens to my EECU HSA if I leave my employer?

**A** All funds in your EECU HSA, including funds contributed by your employer, are yours to keep. If you leave your employer, you can keep your HSA at EECU or transfer your funds to another qualifying HSA.

### Q If I'm no longer covered by a high-deductible health plan, can I use funds from the HSA for expenses not covered by my health plan?

**A** Yes, you can withdraw HSA funds tax free for eligible expenses. You don't need to be enrolled in a high-deductible health plan (HDHP) to withdraw funds from your HSA, but you do need to be enrolled in an HDHP to contribute to the account.

## Need Help?



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**Chat** with a member service representative, at [www.eecu.org](http://www.eecu.org), regarding your HSA or send a secure email ([www.eecu.org/secure-contact-form/](http://www.eecu.org/secure-contact-form/)) to member services through EECU online banking.



**Stop by** a local EECU branch for in-person assistance; branch locations can be found at [www.eecu.org/locations-atms/](http://www.eecu.org/locations-atms/).

<sup>1</sup> Contributions, investment earnings, and distributions are tax free for federal tax purposes if used to pay for qualified medical expenses, and may or may not be subject to state taxation. A list of Eligible Medical Expenses can be found in *IRS Publication 502*, <http://www.irs.gov/pub/irs-pdf/p502.pdf>. As described in IRS publication 969, <http://www.irs.gov/pub/irs-pdf/p969.pdf>, over-the-counter medications (when prescribed by a doctor) are considered Eligible Medical Expenses for HSA purposes.

<sup>2</sup> For more information consult a tax adviser or your state department of revenue.

<sup>3</sup> Call 817-882-0800 or stop by a branch to order a book of HSA Checks: 100 for \$26.95. After your first order, you will be able to re-order through EECU online banking.

<sup>4</sup> See Department of the Treasury, Internal Revenue Service [Publication 969](#), "Health Savings Accounts and Other Tax-Favored Health Plans"

Federally insured by NCUA. National Credit Union Administration, a U.S. Government Agency – Member accounts are federally insured to at least \$250,000 and backed by the full faith and credit of the United States Government.