



Understanding the Health Savings Account

The university offers **active** employees the **Health Savings Plan** as one of its three medical plan options. If you enroll in the Health Savings Plan, you'll have the lowest monthly premiums out of all the plans, but you'll pay more out of pocket when you need care. Since the Health Savings Plan is a qualified high deductible health plan, you must set up a **Health Savings Account (HSA)**. See page 2 for set-up instructions.

An HSA is a tax-advantaged account where contributions from the university and optional pretax (tax-free) contributions made by you can help pay for qualified medical expenses, such as:

- Copays
- Deductibles
- Out-of-pocket expenses for medical, prescription drug, dental, vision and hearing care

You can use your account to pay for your own expenses and those of your eligible dependents.

Note: For a full list of qualified expenses, visit irs.gov/publications/p969.

If you enroll in the Health Savings Plan, you'll open your HSA with Optum Bank and receive a debit card to pay for eligible expenses.

2024 Contribution Limits

	Your Contribution	The University's Contribution	Total Possible Contribution
Individual coverage	Up to \$3,500	\$650	\$4,150
Family coverage	Up to \$7,100	\$1,200	\$8,300

You can make a \$1,000 additional catch-up contribution if you'll be age 55 or older by December 31, 2024.

Perks of the HSA

Here are some of the benefits of having an HSA:

- **Account growth:** Your account grows through the university's contributions, your contributions, transfers from any existing HSA you have, interest, and investment earnings.
- **Investment earnings:** After your account reaches \$2,000, you can invest the balance in options provided by Fidelity Investments.
- **Rollover:** You don't need to use all the money in your account. The entire account balance rolls over year after year.
- **Account ownership:** You own the account permanently and take it with you when you leave the university or retire. You can continue to use the balance in retirement for qualified medical expenses. See page 2 for Medicare-related information.



How To Set Up Your HSA

Your HSA is administered by **Optum Bank**. In order to access your account, you must first accept the terms of an HSA. If you already have an account through Optum, you can use your HealthSafe ID to log in.

To register with Optum Bank:

- Visit optumbank.com.
- Follow the prompts to create your HealthSafe ID (you'll need to provide your full legal name, birthdate, primary ZIP code, email, phone number, and Social Security number or employee ID).
- Confirm your email and phone number.

To access your HSA on the go, upload receipts, check your balance, make a payment, or deposit a check, download the Optum Bank app from the [App Store](#) or [Google Play](#).

Important: If your HSA balance ever hits \$0, you'll need to re-register for an account — it automatically closes when there's no money in it.

If you enroll in the Health Savings Plan, you are not required to contribute to the HSA. However, it's still important that you set up your account to receive the university's contribution.

The HSA and Medicare

If you're age 65 or older and continue working, you can still enroll in an employer-provided HSA-qualified health plan — in the university's case that's the Health Savings Plan — and you can still contribute to your HSA **as long as you have not enrolled in Medicare**.

If you're eligible for AND enrolled in Medicare, you and the university can no longer contribute pre-tax dollars to your HSA. In order to contribute pre-tax dollars to an HSA, you must be enrolled in an HSA-qualified health plan, and you **cannot** be enrolled in any part of Medicare. However, you can continue to withdraw money from your HSA to pay for qualified medical expenses, including your Medicare premiums, until the HSA balance reaches zero. If you use the account to pay for your eligible expenses, your payments will remain tax-free.

For more information on HSA eligibility, visit uasys.edu/benefits or contact your campus **Human Resources Office**.

Limitations

You can't be eligible for AND enrolled in Medicare, covered by TRICARE (a health care program of the U.S. Department of Defense Military Health System) or have received Veterans Administration (VA) health benefits in the previous three months.

You cannot have a Health Savings Account and a Health Care Flexible Spending Account in the same calendar year.

Find more limitations and a comparison of the HSA and FSA at benefits.uasys.edu/health-wellness/health-savings-account.



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