

# TASC HSA Plan Renewal Data Request

Please provide the information below for the renewal of your TASC HSA Plan as soon as possible. Submit completed forms to HSA@tasconline.com.

Client Name: \_\_\_\_\_ TASC 12-Digit ID: \_\_\_\_\_

Plan Start Date \_\_\_\_\_ (mo/dd) Plan End Date \_\_\_\_\_ (mo/dd)

Number of payroll contributions \_\_\_\_\_ Date of employee's first payroll contribution: \_\_\_\_\_

Frequency of contributions:  Weekly  Bi-Weekly  Semi-Monthly  Monthly  Other: \_\_\_\_\_

Employer contributions:  Yes  No

If yes, provide amount of employer contribution for each coverage level: Single \$ \_\_\_\_\_ Family \$ \_\_\_\_\_

Is this a one-time employer contribution?  Yes  No Enter the date of the first contribution: \_\_\_\_ / \_\_\_\_ (mo/dd)

If no, employer contributions are made:  Annually  Quarterly  Monthly  Semi-Monthly  Each Pay Period

Are employer contributions pro-rated for mid-year enrollees?  Yes  No

If yes, indicate the method:  As of Plan Start Date  As of Most Recent Quarter  Other: \_\_\_\_\_

Select one of the following for when a scheduled contribution date falls on a banking holiday or weekend:

Apply contributions the next business day  Apply contributions the business day prior to the holiday or weekend

I understand the pay dates can NOT be changed once the plan is enrolled.

I understand TASC will send an e-mail prior to withdrawing funds for my account and that I should contact TASC with any changes no later than three days prior to the employee's payroll date.

Preparer's Name: \_\_\_\_\_ Date: \_\_\_\_\_

## PAYROLL DATES

On the chart below, enter the payroll dates from which deductions will be taken. If you have more than two payroll schedules, please copy this form as needed. (Example: 01/15/13)

1. _____	2. _____	3. _____	4. _____
5. _____	6. _____	7. _____	8. _____
9. _____	10. _____	11. _____	12. _____
13. _____	14. _____	15. _____	16. _____
17. _____	18. _____	19. _____	20. _____
21. _____	22. _____	23. _____	24. _____
25. _____	26. _____	27. _____	28. _____
29. _____	30. _____	31. _____	32. _____
33. _____	34. _____	35. _____	36. _____
37. _____	38. _____	39. _____	40. _____
41. _____	42. _____	43. _____	44. _____
45. _____	46. _____	47. _____	48. _____
49. _____	50. _____	51. _____	52. _____

# Participant Reference Guide

## Welcome to TASC and to the benefits of a Health Savings Account.

We hope you will find the TASC HSA to be an efficient and valuable service. This Guide will walk you through the steps that you need to complete your enrollment into your HSA account, the funds transfer process, change of election rules and procedures, show you how to track your account, and explain how to handle the end of the Plan Year. Please retain this Guide for future reference.

### Here's what you'll find inside:

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### Welcome

Welcome to TASC's Health Savings Account (HSA)! HSAs are an excellent way to help fund medical expenses. By establishing an HSA, you can deposit funds into your account tax-free via salary reductions to pay for qualified medical expenses. The funds are held in a custodial account until which time a qualified medical expense has been incurred, at which point funds can be withdrawn from the account. Unused balances at the end of the Plan Year are retained in the account and may be carried over to the subsequent Plan Years. In addition, funds in the accounts belong to you and are portable.

# Health Savings Accounts Defined

## Eligibility

For an individual to be eligible for an HSA, the following requirements must be met.

- You must be covered under a high deductible health plan (HDHP), on the first day of the month.
- You have no other health coverage except for “permitted coverage” (such as accidental, dental or vision coverage).
- You are not enrolled in Medicare.
- You cannot be claimed as a dependent on someone else’s tax return (spouse is excluded).

An HSA is an individual plan and as such you must ensure you are eligible to participate.

**A high deductible health plan has an annual deductible for individuals and families.**

**Please visit our website to view the limits: <https://www.tasconline.com/hsa-annual-limits>**

## High Deductible Health Plan

A high deductible health plan has an annual deductible. In addition to the minimum deductible, there is a maximum limit on the amount of out-of-pocket expenses under the health insurance plan. The out-of-pocket expenses include deductibles, co-payments and co-insurance. Premiums are not included. All of the HSA Limits are subject to annual cost of living adjustments. Find annual limits online at [www.tasconline.com/hsa-annual-limits](http://www.tasconline.com/hsa-annual-limits).

## Contributions and Their Tax Deductibility

Contributions to an HSA are tax deductible up to certain limits. Generally, the maximum annual contribution is the contribution limit based on HDHP coverage. Find annual limits online at [www.tasconline.com/hsa-annual-limits](http://www.tasconline.com/hsa-annual-limits).

Your maximum annual contribution is determined by adding together your monthly contribution limits for the year. Your monthly contribution limit is determined on the first day of each month that you are an eligible individual. A monthly

contribution limit is 1/12 of the annual contribution limit based on your health plan coverage (self-only or family) for each month.

However if you are HSA-eligible on December 1 of any given taxable year, you can be treated as an eligible individual for the full year and can make a full year’s worth of HSA contributions, based upon the type of HDHP coverage (i.e., self-only or family) you have on December 1.

Please note a testing period applies if using this method. The testing period begins with the last month of the contribution year, December 1, and ends on the last day of the 12th month following (13 months).

If you do not continue to be an eligible individual for the entire testing period, (for reasons other than death or disability), the difference between your monthly determined maximum and the amount you contributed is includable in your gross income for the year of failure and is subject to a 10 percent penalty tax.

Contributions to an HSA may be made by you, your employer or anyone who chooses to contribute on your behalf. All contributions to your HSA are counted towards your annual contribution maximum. If you have two HSAs, the contributions are combined in determining your annual contribution.

**Your maximum annual contribution is determined by adding together your monthly contribution limits for the year. Your monthly contribution limit is determined on the first day of each month that you are an eligible individual.**

Contributions to an HSA may be made until April 15 for the prior calendar year. If you have contribution activity, health-care bank will send you Form 5498-SA in May reporting prior year contributions. Each HSA owner must also report their contributions on Form 8889 when filing the Federal tax return.

The contributions for an HSA through a Section 125 plan are not subject to Federal and State (some states may vary) income tax and FICA. These contributions are made via payroll deduction. Contributions are taken from your payroll on a pre-tax basis and transferred via HSA services to your HSA. This is done on your authorization.

**Married individuals with family coverage must divide their annual HSA contribution limit equally between each other, unless they agree upon a different division.**

Special Rule for Married Individuals: Married individuals with family coverage must divide their annual HSA contribution limit equally between each other, unless they agree upon a different division.

For example, if either spouse has HDHP family coverage, both spouses are treated as having family coverage and their combined maximum contribution limit is the statutory HSA contribution limit for family coverage. When both individuals have self-only coverage the amount is not divided and each individual can contribute the statutory HSA contribution limit for self-only coverage. (View annual limits online at [www.tasconline.com/hsa-annual-limits](http://www.tasconline.com/hsa-annual-limits).)

The catch-up contribution is excluded from this rule and if each spouse is eligible for a catch-up contribution they can each contribute up to \$1,000. The catch-up contribution cannot be combined or divided and must be contributed to the account of the individual eligible for the catch-up contribution.

### **Your Account Set-up**

Your HSA account must be held in a specific bank account at our financial institution partner, HealthCare Bank. Once we have completed processing your account set up, you will be free to contribute and transfer funds to and from your HSA to your personal account, and use your TASC HSA Card to pay for qualified medical expenses.

# Participant Online Enrollment Process

Managing your TASC HSA is easy. We have created a website that is available to you 24/7/365. Plus we have Customer Care Representatives at the ready to assist you with any question you may have at 1-800-350-3778, 8:00 am - 5:00 pm, Monday through Friday. The first step and it is very important, is to enroll in your Plan. Until you complete your enrollment you will not be able to access any of your HSA funds.



You are able to enroll online during a specified period before the Plan Year start date as well as at any time during the Plan Year. Access the Enrollment site at: <https://tascparticipant.lh1ondemand.com/>. Enter the employer code provided by your employer. If you do not know your employer code, contact TASC at 1-800-350-3778 for assistance.

Online enrollment is a step-by-step process comprised of eight steps: Profile, Dependents (optional), Eligibility, Election, Payments, Beneficiaries, Terms and Conditions, Summary.



1. Enter your personal information. Fields with a red asterisk (\*) are required. Your social security number is required to set up your HSA account. Your email address allows you to receive notifications and other important information quickly. Click Next to continue.



2. Enter Dependent information (if applicable) and click Add Dependent. The added dependent displays under the MyDependents list. Click Next to continue.
3. Review the HSA Qualifications and then check that you certify that you are eligible for a Health Savings Account. The Qualifying Health Plan Coverage options on this screen vary depending on your plan. Click Next to continue.



- Determine your annual election amount. Enter your payroll deduction per pay period. It is up to you to make sure that your contributions to the HSA do not go beyond the maximum limits. It is also your responsibility to make sure that your withdrawals are for qualified medical expenses to meet tax deductibility requirements. These expenses are defined in Section 213(d) of the Internal Revenue Code. The enrollment software will not accept elections over the IRS limit. Click Next to continue.

	My Maximum Election	My Payroll (CH total)	My Election	My Total Election	Employer Contribution	Total
Health Savings Account	\$204.00	\$1.00		\$0.00	\$2,000.00	\$2,000.00

- Select your preferred reimbursement method and elect to receive the TASC HSA Card. You may expect your TASC HSA Card within 2-3 weeks after your enrollment is processed. Funds will not be available on the Card until contributions have been received. Click Next to continue.

Name	Accounts Uploaded on Card	Card Shipped To
Jane Anderson	<input type="checkbox"/> New Card Health Savings Account	445 Sample Ave, Sample City, MN 55410
Adam Anderson	<input type="checkbox"/> New Card Health Savings Account	445 Sample Ave, Sample City, MN 55410

- If selecting Direct Deposit enter your bank account information. The Bank Information may pre-populate based on the routing number entered. If not, enter the contact information for your bank. Click Next to continue.

- Select beneficiaries from the Dependents box to pre-fill the information. Click Add Beneficiary. Add a contingent beneficiary by choosing them from the Dependents box or complete the fields, and click Add Beneficiary. Beneficiaries and Share Percentages display and you may update or remove as necessary.

Note: During Enrollment, you must name your spouse as a primary beneficiary if you are married.

You may change this later by submitting a notarized Beneficiary/Spousal Consent Form with your spouse's signature of consent. Click Next to continue.

- Check that you have read and agree with the Designated Representative Agreement, the HSA Custodial Agreement and Disclosure Statement and the Patriot Act Requirement. Click Next to continue.



- Verify your Enrollment Summary information carefully. Click Edit Information in any of the sections to make corrections. Click on Print for a copy or your Enrollment Verification. Click Next to continue your enrollment.



- The final step is to complete the HSA Account Creation Authorization requesting that an HSA be opened in your name. Click Submit Enrollment. You are enrolled in the TASC HSA.



- Be sure to complete the entire process until you see the Confirmation page or your information will be lost. You have now successfully completed your HSA enrollment!

Once your enrollment is completed, you can update your enrollment at anytime during the open enrollment period from the home page, by clicking Update.

One unique aspect of an HSA is the ability for you to invest some of your savings to increase the value of your account and further save for retirement. You define the amount (above a minimum of \$2,000) to have automatically swept into the investment account.

To set up your investment options click on Investment Details at the bottom of the Home Page. From there you can click on Investment Elections on the left side of your screen. There is plenty of information regarding the investment options and performance to help you choose which investment you wish to place your funds.

You are encouraged to contact an investment expert who is licensed in that field for investment advice. Neither TASC or your employer will offer any investment advice. Choose the investments you wish to participate in by selecting a percentage next to each selection and click on Submit Election Change Request to finalize your investment selections.

You can also choose to have the money swept into a Deposit Account, which works much like a money-market account, where the money is safer and provides for a small interest rate increase.

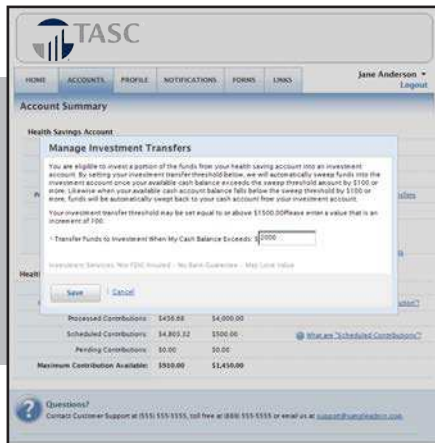
For advice on investments choices, you are advised to contact a licensed investment expert. TASC does not offer investment advice and neither will your employer.

# Investment Options

## Contribute Funds

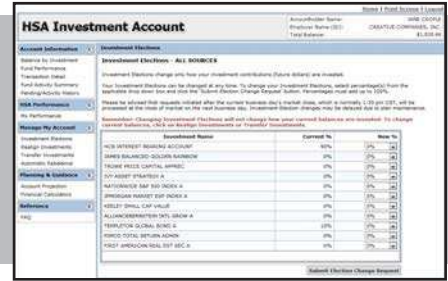
Your employer contributes your funds on a pre-tax basis each payroll. You may also make after-tax contributions to your HSA from your personal bank account online. You must set up an ACH for transfer of contributions and must have a valid email address entered with TASC. For easy and convenient disbursement of funds from your TASC HSA, you will receive a TASC HSA Debit Card.

**Note:** The Contribute to HSA link only displays when you have a bank account online. You may add or update bank account information. The Contribute HSA Funds page displays the IRS Maximum Contribution Detail to determine how much you can contribute.



To contribute funds:

1. Select Apply Contribution to Tax Year. You may make a contribution between January 1 and April 15 to the prior tax year.
2. Enter Contribution Amount.
3. Enter Notes. (Optional)
4. Select the checkbox, I have read, understand and agree to the information and terms above.
5. Click Add Contribution.
6. After you add a contribution, the HSA Cash Account Details page appears where a confirmation displays.



## Withdraw Funds-Distributions

The money in your TASC HSA accumulates on a tax-deferred basis. Withdrawals for qualified medical expenses are not taxable. Withdrawals for reasons other than qualified medical expenses prior to age 65 are taxable and subject to a 20 percent penalty. Upon death, disability, age 65 or upon Medicare eligibility, funds can be withdrawn for non-medical reasons without penalty, but the distributions will be subject to income taxes. In January, HealthCare bank will send a 1099-SA to any account holder with distribution activity for the prior Plan Year.

You can request distribution any time a qualified expense has been incurred. Distributions will be made at your direction. You must acknowledge that withdrawals that are not qualified medical expenses are taxable and will be subject to penalty taxes in certain circumstances. In the event of death, the account will be distributed to your beneficiary. When a qualified expense is incurred, you can request a distribution using one of the available options (TASC HSA Card or online distribution request) and then use said funds to pay for the expense. Funds remain available to you and cannot be forfeited. There are two simple distribution options.



# Contributions and Distributions

## Option 1: TASC HSA Card

As a feature of your TASC HSA you will be issued a TASC HSA Card to facilitate the payment of eligible HSA expenses. The TASC HSA Card looks like a typical debit card, but is used as a credit card for eligible medical expenses, based on the funds available in your benefits account. Rather than paying out-of-pocket and waiting to be reimbursed, the TASC HSA Card allows you to pay for eligible expenses when the service is provided (or when an eligible product is purchased). Card purchases are limited to the Plan types elected, and also to merchants with an inventory information approval system (IIAS) in place to identify HSA-eligible purchases.



When using your TASC HSA Card, the amount of the expense is automatically deducted from your Plan's balance and paid directly to the authorized provider at the point of purchase. It is your responsibility to make sure your withdrawals are for qualified medical expenses to meet tax deductibility requirements as defined under Section 213(d) of the Internal Revenue Code. Remember to save your receipts and retain with your individual tax return documentation.

## Option 2: Online

To request a distribution, logon to the TASC HSA website and click on the Account tab and then scroll down to Request HSA Distribution. The Distribute HSA Funds page displays the account summary in the first section of the page. You may only request a distribution for the balance of your account; the system will display an edit if the request is greater than the available balance. If funds in the account are insufficient, only the balance in that particular account will be issued. The outstanding balance of the distribution request will not be reimbursed. An additional distribution request must be submitted once additional funds are in the account.

To request a distribution or withdrawal from an HSA account click on HSA Distribution and then:

- Payments are automatically set to go to yourself and are disbursed via direct deposit.
- Enter the amount you wish to distribute.
- Schedule whether this is a one-time distribution or select the recurring option and set the start and end dates.
- Enter your online transfer request. (Please note only online transfers are available.)
- Add additional notes (optional).
- Select the checkbox, I have read, understand and agree to the information and terms above, and click Submit. A confirmation page will appear.

## Managing Investments

Our online site allows you complete control over your investments. You can view your balance by investment, fund performance, transaction details, fund activity summary, and pending/activity summary. You can manage your investment elections, realign and transfer your investments, and set your investments to automatically adjust the balance. Use the tools to calculate the potential growth of your investments.

To access the investment portal, click View Investment Details and answer the security question.

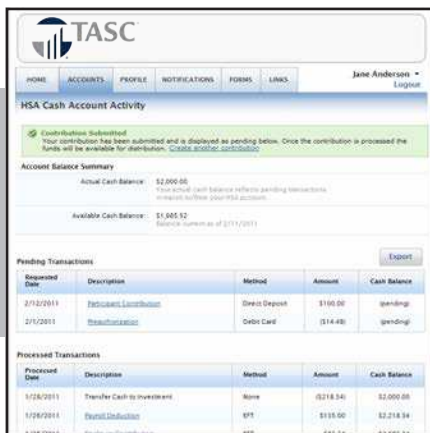


You can also access the health expense calculator and Web MD for advice and guidance about your healthcare.

## Browser Requirements

Following is a list of the browser software, and the minimum versions required to ensure proper functionality within the HSA Participant website.

Browser Software	Minimum Version Required
Internet Explorer (IE)	IE 6.0
AOL (uses Internet Explorer)	IE 6.0
FireFox	1.2
Netscape Navigator	7.0
Opera	9.1
Safari	1.3.2



## Online Resources

There are many online tools to help you manage your Health Savings Account. Please take some time to look around the website and learn about these tools. For example, online you can review your notification history and access any of the forms associated with your Plan that you may need.

In addition, there is link tab on the site that provides access to the latest news about healthcare and consumer driven plans.

# Plan Management & Renewal

## Plan Year End

Near the end of the Plan Year you will have the opportunity to re-enroll in TASC HSA Plan. Your employer may change Plan parameters at this time as well. Any balances remaining in your HSA Plan will automatically carry forward to your new Plan Year.

## HSA Coordination with a Flexible Spending Account

Only under certain circumstances may an employee establish and fund an HSA in addition to funding a limited purpose health flexible spending account. Both accounts may be funded as long as the benefits being reimbursed through the limited purpose health FSA are limited to benefits or costs not covered by the High Deductible Health Plan (HDHP) itself. For example, if the HDHP does not cover dental or vision expenses, the medical FSA may be established to reimburse only these expenses.



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# HSA Eligible Expenses

## Healthcare expenses eligible for reimbursement.

Over-the-counter (OTC) medicines and drugs, except for insulin, require a prescription from your physician to be eligible for reimbursement from your TASC HSA. Keep your prescription on file with your HSA receipts. Disbursements of OTC health-related supplies continue to be eligible without the additional documentation from your physician. Below is a sample list of expenses eligible for disbursement through an HSA that are incurred by you, your spouse, or qualified dependents.

### Medical Expenses

- Acupuncture
- Artificial limbs
- Bandages
- Birth control, contraceptive devices
- Birthing classes/Lamaze – only the mother’s portion, not the coach/spouse (birthing instruction only, not child rearing)
- Blood pressure monitor
- Blood sugar test kits/test strips
- Chiropractic therapy/exams/adjustments
- Contact lens and contact lens solutions
- Co-payments
- Crutches (purchased or rented)
- Deductible and co-insurance
- Dental services
- Diabetic supplies
- Eye exams
- Eyeglasses, contacts, or safety glasses, prescription only (warranties are not reimbursable)
- Flu shots
- Hearing aids and hearing aid batteries (warranties are not reimbursable)
- Heating pad
- Incontinence supplies
- Infertility treatments
- Insulin
- Lactation expenses (breast pumps, etc.)
- Laser eye surgery; LASIK
- Legal sterilization
- Medical supplies to treat an injury or illness
- Mileage to and from doctor appointments
- Nasal strips
- Optometrist’s or ophthalmologist’s fees
- Physicals
- Physical therapy (as medical treatment)
- Physician’s fee and hospital services
- Pregnancy test
- Prescription drugs and medications
- Psychotherapy, psychiatric, psychological service

- Reading glasses
- Sales tax on eligible expenses
- Sleep apnea services/products (as prescribed)
- Smoking cessation programs
- Treatment for alcoholism or drug dependency
- Vaccinations
- Vision expenses
- Wrist supports, elastic wraps
- X-ray fees

### OTC Medicines and Drugs

#### (Prescription Required for Disbursement)

- Bengay, Flexall, pain relieving creams or gels
- Calamine lotion
- Canker/cold sore relievers
- Cold medicines
- Corn removal
- Diaper rash ointment
- GasX, baby gas drops
- Hemorrhoid creams and treatments
- Hydrogen Peroxide or rubbing alcohol
- Indigestion or anti-acid relievers
- Laxatives
- Nicotine patch
- Pain relievers (Tylenol, Advil, Aspirin, etc)
- Sinus medicines
- Suppositories
- Teething gel
- Wart removal medication

#### **Additional qualified expenses:**

- Qualified long-term care insurance premiums
- COBRA healthcare premiums

#### **For individuals over age 65:**

- Medicare Parts A or B
- Medicare HMO premiums (Note: Medigap insurance premiums do NOT qualify.)
- Health insurance premiums while receiving unemployment compensation.
- Employee share of premiums for employer-sponsored health insurance, including retiree health insurance (if not already taken before taxes).