



Important Rules to Know about the Health Savings Account (HSA)

- The following individuals cannot participate in the HSA: those enrolled in Medicare or claimed as a dependent on another person's tax return. Employees age 65 or over should consult with their tax advisor to understand tax implications before re-enrolling in the HSA.
- Open Enrollment is your only time to elect or re-enroll unless you experience a Qualifying Life Event.
- IRS regulations prevent employees from participating in a Health Care Flexible Spending Account and a Health Savings Account (HSA) at the same time.
- If you are enrolled in an HSA and your spouse has a Health Care Flexible Spending Account through their employer, you are not eligible to contribute to your HSA.
- Although you cannot elect a traditional Health Care FSA, you may enroll in Simmons's HSA-compatible Limited Health Care FSA and enjoy pre-tax savings for out-of-pocket dental and vision care expenses. The "use it or lose it" rule applies to the Limited Health Care FSA meaning balances not utilized by end of plan year will be forfeited into the Plan, so be sure to plan accordingly.
- If you have an HSA, you will have an additional schedule when filing your tax return. For tax implications of an HSA on your tax filing, we strongly suggest you speak with a tax advisor.
- You cannot use your HSA to pay for health care expenses incurred by dependents not claimed as a dependent on your taxes such as your domestic partner or their children.
- Per IRS regulations, you cannot participate in any other health plan that is not a qualified plan, including a spouse's plan (your spouse can enroll in his/her own plan).
- You have the ability to invest your HSA contributions in the market through our provider, Bank of America.
- If you want to enroll in the PPO with HSA plan at Open Enrollment, and you are currently enrolled in the traditional Health Care FSA, you must ensure you have a \$0 FSA balance on June 30th. You will not be able to make or receive any HSA contributions if there is any remaining balance.