

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

- The following individuals cannot participate in the HSA:
  - If you are enrolled in any part of Medicare including Part A, B, C, or D.
  - If you are enrolled in a military health plan, such as TriCare.
  - If you are enrolled in a Health Care FSA, including your spouse's FSA.
  - Employees age 65 or over should consult with their tax advisor to understand tax implications before enrolling or re-enrolling in the HSA.
- Open Enrollment is your only time to elect or re-enroll in the HSA unless you experience a Qualifying Life Event.
- IRS regulations prevent employees from participating in a Health Care Flexible Spending Account (FSA) and a Health Savings Account (HSA) at the same time.
- Although you cannot elect a traditional Health Care FSA, you may enroll in Simmons' HSA-compatible Limited Purpose 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 Purpose Health Care FSA meaning balances not utilized by end of plan year will be forfeited, 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.
- You have the ability to invest your HSA contributions, please consult the HSA vendor for more information. You can find the HSA vendor information on the [Benefits website](#)
- 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 in the FSA plan.