



# HSA Quick Reference Guide

## WHAT IS AN HSA?

A Health Savings Account (HSA) is a tax-advantaged account that allows participants to set aside funds to pay for qualified medical expenses incurred by the participant, his/her spouse, and any tax dependents covered under the participant's plan. Participants must be enrolled in a high-deductible health plan (HDHP) in order to have an HSA.

## CONTRIBUTING TO YOUR HSA

Your Ameriflex HSA allows you to make pretax or tax-deductible contributions to a special interest-bearing account in order to effectively save money for medical expenses. Although your HSA can serve as a savings opportunity as part of a retirement strategy, it can also be accessed when an unexpected medical expense arises. Your HSA will provide a means to pay for medical expenses separate from your regular budget.

## IMPORTANT DETAILS TO KNOW

### CATCH-UP CONTRIBUTIONS

Individuals ages 55 and older who are not enrolled in Medicare are eligible to make an additional catch-up contribution to their HSA. The amount that may be contributed is \$1,000.

### USING HSA FUNDS

Ameriflex makes it easy for you to use your HSA funds. You can pay for qualified medical expenses with your MyAmeriflex Card, or you can pay for expenses out-of-pocket and request reimbursement by submitting a manual claim. Please be sure to keep track of all receipts and reimbursement documentation as proof that funds were used to pay for qualified expenses.

### CONTRIBUTION AND OUT-OF-POCKET LIMITS FOR HSAs AND HDHPs

#### HSA contribution limit (employer + employee)

For 2019	Individual:	\$3,500
	Family:	\$7,000
For 2018	Individual:	\$3,450
	Family:	\$6,900
Change	Individual:	+\$50
	Family:	+\$100

#### HSA catch-up contributions (age 55 or older)\*

For 2019	\$1,000
For 2018	\$1,000
Change	no change**

#### HDHP minimum deductibles

For 2019	Individual:	\$1,350
	Family:	\$2,700
For 2018	Individual:	\$1,350
	Family:	\$2,700
Change		no change

#### HDHP maximum out-of-pocket amounts (deductibles, co-payments and other amounts, but not premiums)

For 2019	Individual:	\$6,750
	Family:	\$13,500
For 2018	Individual:	\$6,650
	Family:	\$13,300
Change	Individual:	+\$100
	Family:	+\$200

\* Catch-up contributions can be made any time during the year after the HSA participant turns 55.

\*\* Unlike other limits, the HSA catch-up contribution amounts it not indexed; any increase would require statutory change.

## QUALIFIED MEDICAL EXPENSES

The IRS defines medical expenses as those related to the diagnosis, cure, mitigation, treatment, or prevention of disease. Medical care expenses must be primarily to alleviate or prevent a physical or mental defect or illness, and do not include expenses that are merely beneficial to general health or aesthetic, such as vitamins, toothpaste, cosmetic surgery, or weight loss programs. In general, employees can use an HSA to pay for medical expenses that are not reimbursed through an insurance plan.

## TRACKING EXPENSES

The HSA “custodian,” the bank that manages your account, tracks the total amount withdrawn from your HSA and provides that information to you and the IRS in tax form 1099-SA. This form is sent to you each year before January 31. Since HSAs are individually-owned accounts, you are responsible to the IRS for all HSA distributions. Your receipts will provide proof that HSA funds were used to pay for qualified medical expenses.

## PRIOR EXPENSES

HSA funds may not be used to pay for expenses incurred prior to your account being established.

## ACCIDENTAL USE OF FUNDS

If funds from your account are mistakenly used for a non-qualified expense, you must claim the amount as income on your tax return. That amount will be subject to a 20% penalty if you are under the age of 65. However, you can avoid taxes and potential penalties if the funds are repaid by April 15 of the year following the year in which you paid for the non-qualified expense.

## FUNDS ARE PORTABLE

The funds in your HSA roll over and continue to grow from year to year. Each year, as long as you are eligible, you are able to continue making the full contribution to your account. HSA funds are also portable, meaning the account always belongs to you even if you change jobs or switch insurance carriers. You must be enrolled in a high-deductible health plan to contribute to your HSA.

## IRS FORM 5498

The custodian bank is required to report certain information to the IRS and to the HSA holder about HSA contributions, distributions, distributions of excess contributions, and any other information that the IRS requires.

**For a comprehensive list of eligible and ineligible expenses, please log into the MyAmeriflex Portal.**

Visit the HSA Store at: [HSAStore.com/AMQRG](https://HSAStore.com/AMQRG)