

# ***NEW! HEALTHYBLUE HSA PLAN***

## **High Deductible Health Plan (HDHP) With Health Savings Account (HSA)**

### ***Frequently Asked Questions***

#### **Part I – High Deductible Health Plan (HDHP)**

##### **Q. What is the HDHP?**

A. The HealthyBlue HSA is a High Deductible Health Plan (HDHP) that gives you more control and responsibility over how you spend your health care dollars. Under the HealthyBlue HSA plan your payroll premiums are lower but your annual deductibles are higher than with other Loyola medical insurance plans. However, you can make pre-tax contributions to the Health Savings Account (HSA) to help you pay for your costs before you reach your deductible. Your HSA is yours to keep, even if you leave employment at Loyola. See Part II on page 2 for HSA information.

##### **Q. Do I pay for the full amount of the office visit when I go to the doctor?**

A. If you see a physician before meeting your deductible you are responsible for paying the allowed amount (with the exception of in-network preventive care office visits which are always covered in full by the medical plan). You can use your HSA for this expense. Once the deductible is met, in-network primary care office visits are covered in full by the medical plan and you will pay a \$30 copay for in-network specialist office visits.

##### **Q. What happens if I have a hospital stay or a catastrophic illness? Will the HealthyBlue HSA cover my expenses?**

A. Yes. If you have a catastrophic illness, the annual out-of-pocket maximum protects you financially by covering 100% of the costs for the rest of the plan year once you reach the out-of-pocket maximum - \$4,000 in-network for individual coverage, and \$8,000 in-network for all other coverage levels.

##### **Q. Is the network for the HealthyBlue HSA different than the network for the PPO and HMO plans?**

A. The HealthyBlue HSA plan uses the BlueChoice network, the same network as our HMO plan.

##### **Q. How do I pay for services under the HealthyBlue HSA?**

A. Since you need to meet a deductible before benefits begin (except in-network preventive care and preferred preventive prescriptions), you will pay your provider using funds in your HSA or by paying out of pocket. When filling a prescription, you can simply use your HSA Visa® debit card to make the payment. Remember to check your HSA balance before using your debit card because there must be funds in the account to cover the expense (similar to a checking account).

##### **Q. Is there a separate deductible for each covered dependent?**

A. No. Your deductible is based on the coverage level you choose. Covered medical expenses for you and your covered dependents apply toward the two-party and family deductible (\$3,000 in-network).

##### **Q. Will I have an insurance ID card to present to my provider?**

A. Yes. You will receive a new CareFirst ID card in the mail if you enroll in the HealthyBlue HSA. Please be sure to update your ID card with your provider and pharmacy.

##### **Q. How can I receive the most value from the HealthyBlue HSA plan?**

A. You can get the most value from the HealthyBlue HSA by actively managing your health care.

- Know the plan and how you use medical care. Knowing how your plan works and keeping track of how much you've paid each plan year are the first steps to knowing how to use your plan well.
- Use preventive care. Take advantage of your 100% in-network preventive care so you can stay healthy and detect problems before they become serious.
- Lead a healthy lifestyle. Not only will you feel better, but you may end up spending less on health care – less of your own money – and saving more of your HSA for future health needs.
- Know the costs and look for appropriate alternatives. Taking financial responsibility is another part of using the plan. You can save money by shopping for the best local, in-network rates and by budgeting your expenses so you can set aside enough money in your HSA. You should consider alternative means of care and discuss them with your provider (e.g. generic instead of brand drugs, an X-ray instead of an MRI, going to your primary care physician or an urgent care facility rather than an emergency room for non-life threatening medical conditions, etc.).

## **Part II – Health Savings Account (HSA)**

### **Q. What is the HSA?**

A. The HSA is a bank account that you own and use to pay current and future eligible health care expenses. You decide which expenses to pay from your HSA.

### **Q. How can contributing to an HSA help me reduce my health care costs?**

A. An HSA can be used to pay for your eligible health care expenses on a tax-free basis, helping to reduce your total health care cost. Your unused HSA funds roll over from year to year, so you can also pay for your future eligible expenses on a tax-free basis. Because any contributions you make from your paycheck are made before tax is applied, your contributions also save you money by reducing your taxable income.

### **Q. Who can contribute to my HSA?**

A. You (and someone on your behalf, such as your employer) can contribute to your account, up to the statutory limit set by the Internal Revenue Service (IRS). If you are or will be age 55 or over during the calendar year, you may also make a “catch-up” HSA contribution of an additional \$1,000 each year. Annual contributions, minimum HSA-eligible health plan deductibles and out-of-pocket maximums are all adjusted annually for inflation and set by the IRS.

## **2014**

	Minimum Deductible	Maximum Out-of-Pocket	Contribution Limit	55+ Contribution
Single	\$1,250	\$6,350	\$3,300	\$1,000
Family	\$2,500	\$12,700	\$6,550	\$1,000

### **Q. Can I make multiple and/or lump-sum contributions to my account?**

A. Yes, as long as your annual contributions (combined with Loyola's annual contributions) do not exceed the IRS-defined limits.

### **Q. How do I access funds from my HSA?**

A. Once you enroll in the Bank of America HSA, you will receive a Visa® debit card to access the funds in your account. Present your card at the doctor's office, pharmacy or other merchant or service provider to pay for

qualified health care expenses. Your card makes it easier for you to manage your health care expenses, which means you have less claims paperwork and fewer billing hassles.

**Q. What expenses are eligible for tax-free reimbursement from an HSA?**

A. The funds you withdraw from your HSA aren't subject to federal tax as long as they are used to pay for your own or your dependents' qualified health care expenses. Eligible expenses include the costs for health care providers like physicians, surgeons and specialists, and materials like eyeglasses, contact lenses, prescription drugs and prescribed over-the-counter drugs or medicine. A comprehensive list of eligible expenses is available online at [bankofamerica.com/benefits](http://bankofamerica.com/benefits) login under Tools and Resources.

**Q. What happens if I don't have enough funds in my HSA at the time I receive medical care or need to purchase eligible medical items?**

A. If you don't have enough funds in your HSA to pay for a qualified medical expense, pay for the product or service out-of-pocket. Once additional funds have accumulated in your account, such as after a paycheck contribution, you can request reimbursement from your HSA by entering an online claim at [bankofamerica.com/benefits](http://bankofamerica.com/benefits) login. In fact, you can request reimbursement for an expense you paid for out-of-pocket even years later, so long as your HSA was open at the time of the expense, and you have a receipt establishing the expense as eligible.

**Q. What happens if I don't use all the money in the HSA by the end of the year?**

A. The money rolls over for use in future years, while continuing to earn interest tax-free.

**Q. What if I leave employment at Loyola?**

A. The money stays with you. It's your money for the rest of your life. You can continue to use the account to pay for qualified health care expenses. However, the law states that you can only make new contributions to the account if you are enrolled in an HSA-eligible health plan.

**Q. How do I manage and monitor the funds in my HSA?**

A. Comprehensive online access to your HSA is available anytime through the Bank of America Online Portal.

**Q. I joined the HealthyBlue HSA plan but didn't cover my children under this plan. Can I use my HSA to pay for my children's medical, dental and vision expenses?**

A. Yes. Your HSA can be used to pay for eligible medical expenses of any family member who qualifies as a dependent on your tax return. If your child is under the age of 26, but does not qualify as a dependent on your tax return, he/she may be covered under your HealthyBlue HSA medical plan, but your HSA funds can only be used for expenses for a child who is a tax-qualified dependent.

**Q. Can I use my HSA for eye glasses, contacts, dental expenses and orthodontics?**

A. Yes, but remember these expenses may not apply to your medical plan deductible.

**Q. Can I enroll in the HSA and the Flexible Spending Account (FSA) program?**

A. You cannot enroll in the Healthcare FSA if you use the HSA, but you can still enroll in the Dependent Care FSA. If you have a balance remaining in your FY14 Healthcare FSA as of June 30, 2014, you cannot open a HSA until October 1, 2014 (once the FY14 grace period ends).

*This communication highlights the High Deductible Health Plan and Health Savings Account available. Your actual rights and benefits are governed by the official plan documents. If any discrepancy exists between this communication and the official plan documents, the official plan documents will always govern.*