

## Health Savings Account

### UNE Employee Questions and Answers

#### Eligibility

**How does an HSA Plan affect my domestic partner?**

A Domestic Partner can be enrolled on the medical plan, but they are not eligible to use the HSA funds. Only a spouse and individuals who are claimed on your tax return are eligible to use the HAS funds for eligible medical expenses.

**If my family consists of me, my spouse and my child, everyone is enrolled on my medical plan and we file taxes separately, are my spouse and child (if filed on my spouse's taxes) eligible to use HSA funds?**

No, they are only eligible for the medical coverage under the HDHP medical plan.

**Could my child, who can no longer be claimed as a dependent and is still eligible for medical coverage under my plan, open their own HSA?**

Yes, the child can open their own account through another provider.

**If my child is on other insurance, is he eligible to use my HSA funds?**

Yes, as long as the child is claimed as a dependent on your taxes.

#### Flexible Spending Account vs. Health Savings Account

**If I enroll in the HSA plan in the upcoming year and have a Medical FSA in the current year, will the UNE grace period for the Medical FSA still apply?**

No, all Medical FSA funds must be used by 12/31/1 if you have elected an HSA plan for the following calendar year.

**Can the HSA take the place of a Medical Flexible Spending Account?**

Yes.

**If I enroll in the HSA plan, can I still put funds into a Flexible Spending Account (FSA)?**

No, if you are enrolled in an HSA, a Medical FSA is not allowed. A Dependent Flexible Spending Account is allowed, however.

#### Account Management

**Will there be a pin number for the debit card?**

Yes, it will work like a regular debit card.

**What happens if there is a catastrophic event mid-year and I chose not to contribute anything additional to my HSA beyond what the University contributes?**

If you choose not to contribute on your own behalf initially, you can decide mid-year to start contributing and you have the option to contribute the maximum for the year. The opposite is also permissible- you can stop contributions at any point during the year. Contact Human Resources to make contribution changes to your HSA.

**Is the University's contribution a one-time deposit or will it be made every year?**

The University will decide annually what the contribution will be. In 2016, UNE will deposit the \$2,600 on January 1<sup>st</sup>.

**Do I have the option to change to another plan next year if desired?**

Yes, during Open Enrollment (the month of November) you can make benefit changes for an effective date of January 1, 2017.

**How are medical expenses paid from the HSA?**

In late December 2015, anyone enrolled in the plan will be sent a HSA debit card that can be used to pay for 2016 medical expenses.

**Are there any other ways to pay for expenses besides the HSA debit card?**

Yes, HSA checks can be ordered. While there are no fees for having the HSA through UNE, there is a minimal fee for checks- \$10.50 for 50 checks or a second debit card. You can also enroll in an auto-pay feature that can be found on the Cigna website.

**Can a balance from an existing HSA be transferred into the Cigna HSA?**

Yes, the balance can be transferred. However, if the balance in the account to be transferred is low it might make more sense to use the balance and close the account.

**How long would it take to transfer funds from a current HSA account into the Cigna HSA?**

After filling out the paperwork, it may take up to 2 to 3 weeks for the funds to transfer.

**Is there a way for Cigna to pay for services directly?**

Yes, by going to your *MyCigna* online confidential account ([www.mycigna.com](http://www.mycigna.com)) and signing up for automatic payment services.

**Will the HSA account information need to be included when I file my annual taxes?**

Yes, HSA Bank will send out the appropriate tax forms.

**How do I prove how I spent the funds?**

You are required to keep all receipts in case you are audited by the IRS.

**What happens if I over-contribute to my account?**

You should talk to a tax professional for a complete understanding of your responsibility for managing your HSA funds if you over-contribute.

## **Contributions and Fund Management**

### **Is there a cap on the amount that can roll over year over year?**

No, there is no limit on what can roll over.

### **With regards to the maximum that can be deposited over the course of the year: If all the funds are used, can additional funds be deposited to ensure that the maximum is in the account at the end of the year?**

No, it is a set contribution limit in a year. In 2016 the limit is \$3,350 for an individual and \$6,750 for family (two or more people), with an additional \$1,000 contribution limit for anyone 55 or older.

### **With a Medical FSA, funds are available before they are contributed, is it the same for an HSA?**

No, funds cannot be spent before they are available. It works like a bank account. Although, eligible expenses can be paid by you at the time of service and then you can reimburse yourself from your HSA later when you have sufficient funds. You need to be sure to keep all receipts.

### **If I only go to the doctor once a year and get a physical and my child does the same, is there any expense to me?**

No, you will just hold the \$2,600 over for the next year as preventive services are covered at 100%.

### **So does each individual have a \$2600 deductible or is the family deductible of \$5,200 the only deductible limit?**

No, if the expenses for one family member reach \$2,600, no other expenses for that member will be subject to the deductible even if the \$5200 family deductible hasn't been met yet. Other family members' expenses will be subject to deductible until the additional \$2,600 is collectively met.

### **Can the HSA funds be used for medical expenses from the prior year?**

No, you can only cover expenses that occur after the account is opened. For 2016, your account associated with UNE will be open on January 1<sup>st</sup>.

## **Services and Claims**

### **Will the doctor's office file my claim?**

Yes. You should wait to receive an invoice rather than paying at the time of service to ensure that the Cigna negotiated rate is applied if the doctor is in-network. If a doctor is not in the Cigna network then you will be responsible for the entire expense until the deductible is met, at which point you would be responsible for covering 20% of the expenses after that. In this case you should still have the doctor's office submit the claim so that it can be applied to your deductible.

### **How can I find out how much a service might cost?**

There is a tool online at [mycigna.com](http://mycigna.com) that will provide you with the costs specific to your area. There can be big differences in costs for treatments and prescriptions.

**So will my expenses be covered at the Cigna rate or the doctor's rate?**

Make sure that you show your Cigna card anytime that you get care. You want the bills sent in to Cigna to be processed before you pay them.

**Why do I care if I get a \$5,000 MRI or a \$1,500 MRI?**

All of us are consumers at UNE and if everyone is mindful then overall costs will stay down. In addition, Cigna is able to negotiate better rates on the University's behalf in coming years if medical costs remain low.

**If we are looking up costs on the Cigna website, do we only see the pricing for Cigna covered providers?**

Cigna brings up the more highly rated doctors at the top of the list. There will be a Cigna insignia next to any provider that participates in the network.

**What about emergency services out of the country?**

You are covered worldwide for any injuries or illnesses in the case of an emergency. Typically you will be required to pay up front. You turn the expenses into Cigna to ensure they are applied to your deductible and then you can use your HSA funds to cover them.

**What about the blood work for an annual physical?**

Preventive care is covered at 100%. If something is found, then it will go from preventive to diagnostic. Call Cigna Customer Service for questions on specific situations- they are available 24 hrs a day.

**Does the HSA work for eye glasses and dental care?**

Yes. You can check on the eligibility of any expenses on the HSA Bank site- [http://www.hsabank.com/~media/files/eligible\\_medical\\_expenses](http://www.hsabank.com/~media/files/eligible_medical_expenses)

**If I sign up for the HSA plan, are the preventative screenings and vaccines covered at 100%?**

Yes, those are covered at 100%. They are not applied to your deductible.

**Do I pay my doctor at the time of service if I have an HSA?**

No, you do not pay your doctor at the time of service. Cigna has negotiated the cost of services with the medical community and once the bill is submitted to Cigna from the doctor; Cigna will send an Explanation of Benefits statement (EOB) to you and the doctor. Once you receive this, you may pay the medical invoice.

**If I have exceeded my limit for my yearly PT visits and I want to continue the service, can I use my HSA funds?**

Yes, you can use your funds for qualified medical expenses- [http://www.hsabank.com/~media/files/eligible\\_medical\\_expenses](http://www.hsabank.com/~media/files/eligible_medical_expenses)

**If I have a sick child who received medical care in another state, would my hotel cost be covered as a qualified medical expense?**

Yes, the hotel stay would be considered a qualified medical expense-  
[http://www.hsabank.com/~media/files/eligible\\_medical\\_expenses](http://www.hsabank.com/~media/files/eligible_medical_expenses)

## **Prescriptions**

### **What is the cost of a prescription that does not fall under maintenance drugs?**

You pay the Cigna negotiated price until your deductible is satisfied. You can visit the Cigna website to research to cost of a drug at different providers in your area.

### **What is the difference between maintenance drugs and other drugs?**

Maintenance/Preventive drugs are taken on a regular basis to control a chronic issue. Non-Preventive drugs are taken for a specific limited amount of time to treat a diagnostic event, ie- antibiotics.

### **Does the cost of maintenance drugs apply to the deductible?**

The 10/20/30% paid for maintenance drugs does not apply to the deductible; although, the cost of the maintenance drugs does apply to the annual out of pocket maximum.

### **How is birth control covered?**

Birth control is covered at 100%.

### **Difference between prescriptions that are applied to the deductible and vs the drugs that I pay a percentage of?**

Drugs bought at the negotiated rate but are not considered preventive will be subject to the deductible. For preventive drugs the member will pay a percentage of the cost of the drug based on the chart. After the deductible is satisfied, the non-preventive drugs are covered at 100%.

## **General/ Misc**

### **What are the cons of an HSA?**

It's a little bit daunting to folks who are used to having a co-pay. You need to take a little more responsibility – filing taxes, holding on to receipts etc.

### **If I am in Fargo ND how will I know where to go?**

Go to cigna.com and you will be able to see a list of providers both in and out of network. Any doctors in network will have a Cigna insignia.

### **What if I die?**

You choose a beneficiary just like you do for any bank account. The beneficiary can use it for qualified medical expenses the same way that you do or they can take the funds out of the account and pay the taxes as well as a penalty (20%).

### **Could the HSA take the place of dental insurance?**

It is not recommended until the HSA is well established. It can be used for items that are not covered by insurance – ie orthodonture.