



# HSA Frequently Asked Questions

## What is a Health Savings Account (HSA)?

A Health Savings Account (HSA) is a trust or custodial account similar to that of an Individual Retirement Account (IRA) that is created exclusively for the benefit of the account holder. An HSA allows individuals enrolled in a High Deductible Health Plan to save money tax-free for medical expenses.

## What is a High Deductible Health Plan (HDHP)?

A High Deductible Health Plan (HDHP) is a healthcare plan that has an annual deductible and out-of-pocket maximum that meets the IRS definition of a high deductible. According to the IRS, to qualify for an HSA the minimum annual deductible for individual coverage is \$1,200 and for family coverage is \$2,400. The maximum annual deductible and out-of-pocket expenses for individual coverage is \$5,950 and for family coverage is \$11,900.

## What is a Qualified Medical Expense?

Some examples of qualified medical expenses include amounts paid for doctors' fees, prescription and non-prescription medicines and necessary hospital services not paid for by insurance. Some Dental and Vision care expenses may also meet the criteria. Qualified Medical Expenses are determined by the Internal Revenue Service. For a complete listing of all Qualified Medical Expenses, visit [www.irs.gov](http://www.irs.gov).

## How will I be able to pay for my Qualified Medical Expenses through my LaPorte Savings Bank HSA?

LaPorte Savings Bank HSA account holders will receive a starter set of checks at the time their HSA is opened. HSA customers will also receive a HSA MasterCard Debit Card via the mail within 14 business days of account opening.

## What if my medical provider does not accept debit cards?

You can simply pay your provider with a check from your HSA starter checks, or with cash or a check from your personal checking account and reimburse yourself through your Health Savings Account funds at a later time.

## Can I use my HSA MasterCard Debit Card to get cash at an ATM?

No. Your LaPorte Savings Bank HSA Debit Card can only be used for point-of-sale transactions. If you need to withdraw cash from your HSA, you will need to write a check to yourself and then come to any branch location to cash your check.

## Who do I call if my LaPorte Savings Bank HSA Debit Card is lost or stolen?

If your HSA Debit Card is lost or stolen, you must call LaPorte Savings Bank's Customer Accounting Department at (219) 362-7511 so that your current card can be deactivated and a replacement card can be issued.

## Who can contribute to my HSA?

According to IRS guidelines, for an employee's HSA, the employee, the employer, or both may contribute to the employee's HSA in the same year. For an HSA established by a self-employed (or unemployed) individual, the individual can contribute. Family members and any other person may also make contributions on behalf of an eligible individual.

## How can I make contributions to my Health Savings Account?

Health Savings Account holders are able to make deposits into their HSAs in a number of ways. Customers can make deposits using specific deposit slip at any teller window or through a drive-up window. Customers can also set up an automatic deposit of funds into their HSA similar to that of direct depositing their paycheck.

## Is there a certain amount of time in which I need to use or spend the money in my LaPorte Savings Bank HSA?

No. Funds deposited in your HSA will remain there and continue to earn tax-deferred interest until the time in which you withdraw them.



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## **Who determines the guidelines and requirements for how an HSA can be used?**

The Internal Revenue Service (IRS) sets the guidelines for how Health Savings Accounts can be utilized. The IRS determines on an annual basis the minimum and maximum amounts required to meet the HDHP standards. The IRS also determines what medical expenses and HSA contribution limitations there may be.

## **What tax-reporting documents will I receive regarding my Health Savings Account?**

At the end of each year, LaPorte Savings Bank will provide HSA account holders with the appropriate tax reporting documents. Each account holder will receive Form 1099-SA that will summarize the distributions made on the account as well as Form 5498-SA that will summarize the contributions made to the account that year.

## **What happens if I change jobs and am no longer covered under a High Deductible Health Plan (HDHP)?**

If you are no longer covered under a HDHP as dictated by IRS guidelines, you will still be able to use the funds in your HSA to pay for Qualified Medical Expenses, but you will no longer be able to make contributions to your LaPorte Savings Bank Health Savings Account.

## **Who is responsible for ensuring a Health Savings Account is utilized as intended by IRS guidelines?**

You, the account holder, are solely responsible for making sure that you are using your HSA in accordance to IRS rules and guidelines.

## **Who do I contact if I have questions about my LaPorte Savings Bank Health Savings Account?**

Lori Sopko, Trust Administrator for LaPorte Savings Bank is the primary contact for Health Savings Account questions. She can be reached at (219) 362-7511, Monday through Thursday, 8:00 a.m. to 4:30 p.m. and from 8:00 a.m. to 5:00 p.m. on Fridays.