



SelectAccount HSA



2012 State of Kansas Open Enrollment

Plan C

A qualified High Deductible
Health Plan with a
Health Savings Account (HSA)



**BlueCross
BlueShield
of Kansas**

Independent • Member Owned®



Setting up and using a health savings account (HSA) makes a lot of sense. It's an easy and convenient way to pay for your eligible medical expenses, enjoy tax savings and earn money on the funds, too. By enrolling in a HSA-qualified plan, you've taken an important first step in managing your health and your health care dollars.

Your HSA is a tax-advantaged savings account that benefits from triple tax savings:

1. Tax deductions on contributions
2. Tax-free account growth through interest and investment earnings
3. Tax-free withdrawals for qualified medical expenses

Plan C – SelectAccount Health Savings Account	Network Providers		Non Network Providers
	Annual Deductible:	\$1,500 individual/\$3,000 family	\$2,000 individual/\$4,000 family
Coinsurance:	20% Coinsurance	50% Coinsurance	
Annual Out-of-Pocket Maximum	\$3,000 individual/\$6,000 family	\$3,650 individual/\$7,300 family	
<i>(includes, deductible and coinsurance)</i>			
<i>Note: When selecting any level of dependent coverage, the entire family deductible must be met before claims are paid for any covered person.</i>			

Plan C – QHDHP HSA	Full Time Employee		Part Time Employee	
	Employee Only	Employee + Dependents	Employee Only	Employee + Dependents*
Employer Contribution	\$37.50 (\$900.00 per year)	\$56.25 (\$1,350.00 per year)	\$28.13 (\$675.12 per year)	\$42.19 (\$1,012.56 per year)
Employee Contribution	\$25.00 to \$91.66	\$25.00 to \$204.16 per year	\$25.00 to \$98.95	\$25.00 to \$214.06

*The HSA contribution maximums for Employee + Spouse, Employee + Children, or Employee + Family are the same.

Note: All columns represent 24 semi-monthly payments. The HSA total State contribution for nine-month Regents employees are distributed evenly over 16 pay periods each year.



Providing Health and Wellness for State Employees

Q. How do I enroll in my HSA?

A. Once Blue Cross and Blue Shield of Kansas has processed your enrollment in Plan C, your information will be forwarded to SelectAccount. SelectAccount will automatically create a Thrift Saver Health Savings account for you and will send you a welcome packet.

As an enrollee with the State of Kansas group, you may choose either the Thrift Saver or Premium Saver account. Either account comes with a SelectAccount HSA debit card. You will initially be set up with a Thrift Saver account but you may change to the Premium Saver Account by following the instructions in your welcome packet or by visiting www.selectaccount.com.

Q. I have money saved in my HSA with another bank. How do I transfer this to my SelectAccount HSA?

A. Your existing HSA balance can easily be transferred to your new SelectAccount HSA. Visit <http://www.bcbsks.com/CustomerService/Members/State/index.htm>, complete the Transfer Request Form and either fax or mail it to SelectAccount.

Q. How do I make a contribution to my HSA?

A. You can contribute to your HSA in a number of ways. The best way to fund your HSA is with pre-tax payroll deductions because it gives you the greatest tax advantages. You can also make one annual contribution, or you can contribute periodically during the year. Contributions can be sent to your account administrator by mail or you can authorize withdrawals from your bank account. In 2012, you can contribute up to \$3,100 if you have self-only

coverage. If you have family coverage, you can contribute up to \$6,250.

Q. How do I get reimbursed from my HSA?

A. SelectAccount offers convenient reimbursement options. You can use your HSA debit card and pay for health care expenses as if you were using a bank debit card or credit card. You can also request reimbursements online, using selectaccount.com. Getting money out of your account is fast and easy. If you use online reimbursement requests, you can get your money even faster by also signing up for direct deposit. This feature electronically deposits your reimbursement into your checking or savings account.

Q. How can I find out what expenses are eligible for reimbursement?

A. You can find a complete list of eligible expenses at selectaccount.com.

Q. Can I choose the expenses for which I'd like to be reimbursed?

A. With the HSA debit card, you decide when and how to use your dollars. You can also request reimbursement from your HSA by signing into the online member service center at selectaccount.com.

Q. Are withdrawals from my HSA subject to taxes?

A. Your withdrawals are only taxable if the money is used to pay for expenses that aren't considered eligible expenses. For more information, consult your tax advisor.

Q. Is there a fee for having an HSA?

A. Yes. The fees for the Thrift Saver account (\$1 monthly) or the Premium Saver account (\$3.50 monthly) will be deducted from your account balance. If you do not have a balance in the account the fee(s) will pend until another contribution is made and will be applied at that time.

Q. What are my responsibilities as an HSA holder?

A. Your HSA belongs to you. You're responsible for maintaining the account. Here's what is expected of you as an HSA holder:

- Make sure that you have an HSA-compliant high-deductible health plan
- Make sure that contributions do not exceed the annual maximum
- Make sure that withdrawals for non-qualified expenses are added back to your gross income
- Keep all records that support withdrawals from your account
- Complete the required tax form (Form 8889) and attach it to Form 1040
- Make sure you do not have any medical coverage that will disqualify the HSA including a general purpose FSA
- Make sure you cannot be claimed as someone else's tax dependent

Q. How is interest credited to my HSA?

A. SelectAccount will credit interest monthly on the average daily balance for the month in your HSA. SelectAccount reserves the right to declare a different rate of interest at any time. SelectAccount does not pay interest on funds that are transferred to optional investment accounts.

Q. Is someone who is enrolled in Medicare eligible for an HSA?

A. If you're enrolled in a Medicare program, you cannot establish a new HSA or contribute to an existing HSA. You can, however, spend down your existing HSA.

Little known facts about your SelectAccount HSA

1. You can use your HSA to pay for expenses that are covered by your health plan, not to mention a wide variety of expenses that aren't. You can find a complete list of eligible expenses at selectaccount.com.
2. You can contribute up to \$3,100 to your individual HSA in 2012 if you have self-only coverage. You can contribute up to \$6,250 to your HSA in 2012 if you have family coverage. If you are 55 or older, you can also take advantage of the catch-up contribution, which allows you to contribute an additional \$1,000 to your HSA.
3. Your HSA dollars grow tax-free, and what you don't spend in one year rolls over to the next. There is no "use it or lose it" provision with this account.
4. Your HSA gives you a triple tax benefit because you decrease your taxable income when you contribute to the account. Plus, your earnings grow tax-free. And finally, withdrawals are tax-free if used for qualified medical expenses.
5. Getting money from your HSA is simple and fast with SelectAccount's HSA debit card, online withdrawal requests, and direct deposit.
6. The SelectAccount online member service center, www.selectaccount.com, gives you access to your account information 24 hours a day.

SelectAccount Customer Service
800-859-2144



Blue Cross and Blue Shield of Kansas is an independent licensee of the Blue Cross and Blue Shield Association. BLUE CROSS®, BLUE SHIELD® and the Cross and Shield Symbols are registered service marks of the Blue Cross and Blue Shield Association, an association of independent Blue Cross and Blue Shield Plans. SelectAccount provides account administration services for HRA, HSA and FSA plans and is not affiliated with Blue Cross and Blue Shield of Kansas.