

# EECU Makes It Easy For You To Make The Most Of Your HSA

Enclosed is everything you need to learn how to use your HSA.

## Getting Started

Maximize savings for your healthcare and your future with an EECU HSA, getting started is easy.

### Step 1:

#### Sign up for Online Account Access

At [eecu.org](http://eecu.org) home page, hover over "Log In" in the top menu and click "Enroll now". Then, you can manage your account anytime, anywhere.

### Step 2:

#### Read This Guide

Learn how to make contributions, payments and manage your account.

### Step 3:

#### Activate Your Debit Card

Activate your new HSA Mastercard® Debit Card immediately by following the instructions on the sticker affixed to the front of the card.

Now you're ready to maximize your savings!

**Have a question?** We're here for you! Connect with us your way.



**Online/Mobile:** [Sign-in](#) for 24/7 account access to check your balance, pay bills and more.



**Call/Text:** (817) 882-0800. Our dedicated member service representatives are available to assist you with any questions. Our hours of operation are Monday through Friday from 8:00 a.m. to 7:00 p.m. CT, Saturday 9:00 a.m. – 1:00 p.m. CT and closed on Sunday.



**Lost/Stolen Debit Card:** Call our 24/7 debit card hotline at (800) 333-9934



**Stop by:** a local EECU financial center for in-person assistance; find EECU locations & service hours at [www.eecu.org/locations](http://www.eecu.org/locations).

# Here's How We Make Saving For Healthcare Expenses Easy, Convenient and Valuable

## Making It Easy

### Easy to Contribute

You can make pre-tax, current year contributions through your employer payroll deduction or make post-tax, current year contributions directly online or at an EECU financial center.

### Easy to Make Payments

EECU offers three easy ways. You can pay qualified medical expenses<sup>1</sup> with your EECU HSA Debit Mastercard® through EECU's free online banking and bill pay or by writing an HSA check (optional, fees apply<sup>2</sup>). You can also pay out-of-pocket for eligible medical expenses and then reimburse yourself from your HSA.

### Easy to Manage Your Account

You can easily access your EECU HSA anytime, anywhere online or from your smartphone or tablet at [eecu.org](http://eecu.org) and manage your account on the go. Have a question or need help with a transaction, we're here to help on the phone, online, chat or in person at a financial center.

### Easy to Grow

Your EECU HSA is federally insured, pays out a competitive dividend rate based on balance amount and has no monthly fees, so you can maximize your savings.

## HSA Overview

- Requires a qualifying high deductible health plan (HDHP)
- Used to pay for qualified medical expenses
- Funded by you, your employer or others
- Account funds belong to you

## Qualified Medical Expenses

Use your HSA to pay for qualified medical expenses, as defined by the Internal Revenue Service, for yourself, your spouse or tax dependents<sup>1</sup>. Here are some examples:

- Acupuncture
- Ambulance Service
- Chiropractor
- Dental Care
- Doctor's Fees
- Hearing Aids
- Laboratory Fees
- Prescription Drugs
- Surgery
- Vaccines
- Vision Care
- Wheel Chairs
- X-Rays

A list of Eligible Medical Expenses can be found in IRS Publication 502 - Medical and Dental Expenses.<sup>1</sup>

### Save your receipts –

for all qualified medical expenses. EECU does not verify eligibility. You are responsible for making sure payments are for qualified medical expenses.

## Making It Convenient

### Here's How To Contribute

**Payroll Deductions** – your HSA contributions can be deducted from your paycheck on a pre-tax basis. For more information, please contact your employer.

**Online Contribution** – use our online banking Transfer tool to contribute to your account. Simply log in at [eeci.org](http://eeci.org), then hover over "Move Money" in the top menu, then select the type of transfer from an EECU or external checking or savings account to your HSA. (All contributions are classified as current year contributions unless directed otherwise.)

**Check** – use EECU's mobile deposit feature to deposit a check from your mobile device. You can also stop by an EECU financial center or one of our 5,000 shared financial centers to make a check deposit.

**Transfer / Rollover** – to make a transfer or rollover from an external HSA or MSA, complete and submit the HSA Transfer Form to EECU, and we'll take care of the rest.

### Here's How To Make Payments

**HSA Debit Card** – use your EECU HSA Mastercard® debit card to pay healthcare providers at point-of-sale or by following the instructions provided on a bill from a medical provider.

**Online Bill Pay** – sign up, at [eeci.org](http://eeci.org), and use EECU's free online banking and bill pay to make payments to medical providers directly from your HSA.

**Online Transfers** – use EECU's online banking or mobile app; reimburse yourself for out-of-pocket expenses by making a transfer from your HSA to your personal checking or savings account.

**Check** – optional HSA checks can be ordered upon request for a fee<sup>2</sup>. You can use these checks to pay healthcare providers and suppliers.

### Here's How To Manage Your Account

**Online** - check your balance, pay healthcare providers and arrange deposits; sign-up for online banking at [www.eeci.org](http://www.eeci.org).

**Mobile** - EECU's mobile app allows you to manage your account on the go; download "EECU Mobile Banking" in Apple's App Store and Google Play.

**Contact Member Service** – call (817) 882-0800. Our dedicated member service representatives are available to assist you with any questions. Our hours of operation are Monday through Friday from 8:00 a.m. to 7:00 p.m. CT, Saturday 9:00 a.m. – 1:00 p.m. CT and closed on Sunday. **If your debit card is lost or stolen**, call our 24-hour debit card hotline at (800) 333-9934.

**Account Statements** – monthly account statements show all your account activity for that period. You can receive free online statements or printed statements. You will also receive an IRS 1099 form and a 5498-SA form if you had any contributions or distributions (withdrawals) during the year.

## Thank you for choosing EECU for your Health Savings Account.

For more information about HSAs, visit [www.eeci.org/HSA](http://www.eeci.org/HSA), call one of our Member Service Representatives at 817-882-0800 or stop by a local EECU financial center.

Your Benefits Administrator will also be able to provide you information about your HSA.

1 A list of Eligible Medical Expenses be found in IRS Publication 502, <http://www.irs.gov/pub/irs-pdf/p502.pdf>. As described in IRS publication 969, <http://www.irs.gov/pub/irs-pdf/p969.pdf>, over-the-counter medications (when prescribed by a doctor) are considered Eligible Medical Expenses for HSA purposes.

2 Call 817-882-0800 or stop by a financial center to order Standard checks at no charge, excludes shipping & handling or order custom checks, prices vary.

## Frequently Asked Questions

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

**A** A Health Savings Account allows you to save money, earn interest and spend money on a tax-free basis as long as the money being spent is on qualified medical expenses<sup>1</sup>. Unused HSA funds roll over from year to year, no "use it or lose it". You own your HSA and can take it with you when you change medical plans, change jobs or retire.

To be eligible to set up an HSA and contribute to an HSA, you must be covered by a qualified High Deductible Health Plan, have no other coverage (e.g. Medicare) and cannot be claimed as a dependent on someone else's taxes.

### Q Who is eligible to open an HSA?

**A** To be an eligible and qualify for an HSA, you must meet the following requirements.

- You are covered under a high deductible health plan (HDHP), described later.
- You have no other health coverage.
- You aren't enrolled in Medicare.
- You can't be claimed as a dependent on someone else's tax return.

### Q Is there a monthly Maintenance fee?

**A** With EECU's HSA, there is no monthly maintenance fee.

### Q If I am age 65 or better and have Medicare can I enroll in an HSA?

**A** At age 65, you become eligible for Medicare and may be automatically enrolled. Enrolling in any Medicare coverage (Parts A, B, C, D, or Medigap) will end HSA eligibility. Keep in mind that if you apply for Social Security benefits at age 65, you will automatically be enrolled in Medicare Part A.

However, at age 65, your options expand for using the money that you have saved in the account; this will be described later in these FAQs.

## Frequently Asked Questions

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

**A** A High Deductible Health Plan is a plan with an annual deductible of at least \$1,400 for an Individual or \$2,800 for Family coverage in 2022. The maximum out of pocket expenses, which include money applied to your deductible and your coinsurance for covered charges, must be no more than \$7,050 for Individuals and no more than \$14,100 for Family coverage in 2022. These amounts are set by the Internal Revenue Service and may change based on cost of living/inflation.

### Q How does an HSA work?

**A** Health Savings Accounts work with high deductible health insurance plans. This enables consumers to save money on health insurance premiums, since HDHP's typically cost less than traditional health insurance, while allowing account holders to contribute money to the account to pay out-of-pocket medical expenses up to the deductible.

- **Contribute:** you can make contributions (pre-tax and after-tax) to your HSA. Pre-tax contributions can reduce your taxable income and after-tax contributions are deductible. Contributions can be made by you, your employer or a third party via payroll deduction, online banking transfer or depositing a paper check. Contributions to your HSA as well as any earnings on those contributions grow tax deferred<sup>2</sup>.
- **Make Payments:** you can pay for qualified medical expenses with your EECU HSA Mastercard® debit card, EECU Online Banking or HSA check (optional<sup>3</sup>). Payments or withdrawals from your HSA that are used for qualified medical expenses are tax-free. In addition, withdrawals can also be used for your deductible and co-pays.
- **Manage:** you can manage your HSA, check balances and account information, via EECU's Online Banking and Mobile Banking App.

After age 65, all HSA distributions are penalty free, even if not used for qualified medical expenses. However, if you take a distribution that is not used for a qualified medical expense, it will be taxable<sup>2</sup>.

## Frequently Asked Questions

### Q How much can I contribute annually to an HSA?

A Internal Revenue Service contribution limits are:

#### 2022

- Individual coverage: \$3,650
- Family coverage: \$7,300

And, accountholders age 55 and over can make a HSA catch-up contribution: \$1,000.

### Q What is a qualified medical expense?

A Qualified medical expenses are defined by the Internal Revenue Service and are listed in IRS publication 502. They include expenses that pay for healthcare services, equipment or medications.

#### Examples of IRS-qualified medical expenses<sup>1</sup>:

|  |  |
|--|--|
| Acupuncture  | Hearing aids (and batteries for use)                                       |
| Alcoholism treatment   | Hospital services  |
| Ambulance  | Laboratory fees  |
| Breast reconstruction surgery (mastectomy-related)   | Nursing home   |
| Chiropractor   | Operations/surgery (excluding unnecessary cosmetic surgery)                |
| Contact lenses   | Osteopath  |
| Dental treatment (X-rays, fillings, braces, extractions, etc.)   | Physical Therapy   |
| Diagnostic devices (such as blood sugar test kits for diabetics)   | Prescription Drugs   |
| Doctor's office (including physicians, surgeons, specialists or other medical practitioners) visits and procedures | Psychiatric care   |
| Drug addiction treatment   | Speech Therapy   |
| Eyeglasses and exams (for medical reasons)   | Stop-smoking programs (including nicotine gum or patches)                  |
| Eye surgery (such as laser eye surgery or radical keratotomy)  | Vasectomy  |
|  | Weight-loss program (to treat a specific disease diagnosed by a physician) |

This list is not comprehensive. For a detailed listing, please refer to <https://www.irs.gov/pub/irs-pdf/p502.pdf>, titled "Medical and Dental Expenses."

## Frequently Asked Questions

**Q** What happens if I need to pay for a qualified medical expense and I don't have my HSA debit card?

**A** You can use EECU's online and mobile bill-pay service or you can use another payment method, then reimburse yourself with your HSA funds in one of the following ways:

- Transferring funds electronically from EECU's free online and mobile banking service to another EECU account or to an account at another financial institution.
- Writing yourself a check from your account (if you have an HSA checkbook- optional)
- Withdrawing cash from the ATM

Be sure to retain all receipts and other documentation related to your payment in the event you are later asked to substantiate an expense for tax purposes.

**Q** Can I use my funds to pay for my dependents qualified medical expenses?

**A** Once you've contributed money to your health savings account, you can use it to pay for qualified medical expenses for yourself, your spouse and your eligible dependents.

**Q** When I reach age 65, do the rules for withdrawing funds change?

**A** After age 65, the rules for using your HSA funds change in the following way:

- Health insurance premiums – you can use your HSA funds tax and penalty-free to pay premiums for employer-sponsored health coverage or for Medicare, except Medigap.
- Nonmedical expenses – although money used for nonmedical expenses will be subject to federal—and usually state—income taxes, after age 65 you will not be subject to the 20 percent penalty fee.

## Frequently Asked Questions

### Q What happens if I contribute too much to my HSA in a year?

**A** Contributions to your HSA that exceed the annual limits set by the IRS can incur tax penalties and/or IRS fees. To avoid penalties and fees, you still have a chance to remove the excess funds by your tax filing deadline, typically April 15.

The Internal Revenue Service (IRS) requires EECU to report withdrawals that are considered refunds of excess contributions. In order for the withdrawal to be reported correctly, you may not withdraw the excess directly. Instead, you must request an excess contribution refund by completing the "HSA Withdrawal Authorization Form" found at [www.eecu.org/HSA](http://www.eecu.org/HSA) and mailing it to EECU, Attention: HSA Department, P.O. Box 1777, Fort Worth, TX 76101-9947. We will send you a check for the amount indicated, plus any applicable earnings.

You may have to file additional tax forms. Please consult with a tax advisor if you have any questions about your HSA contributions.

### Q What happens if I don't withdraw my excess contributions prior to April 15th of the following year?

**A** You must pay a 6% excise tax on the excess contribution and on any earnings of the excess contribution. If in the next year you decreased your maximum contribution by the amount of your excess contribution made the year before, you do not have to pay the 6% excise tax again. If, however, you leave the excess contribution in, and do not decrease your maximum contribution by the amount of your excess contribution made the year before, you will have to pay the 6% excise tax each year the excess contributions and earnings are in the HSA.

Please consult with a tax advisor if you have any questions about your HSA contributions.

## Frequently Asked Questions

### Q What if I use the money to purchase something other than a qualified medical expense?

**A** Money in your HSA is tax-free if it used to pay for qualified medical expenses. Any funds you withdraw from your HSA for nonqualified expenses will be taxed at your income tax rate, plus a 20% penalty.

Exceptions to the 20% penalty are for distributions made after the account owner's death, disability, or attaining age 65.<sup>2</sup>

### Q How do I report withdrawals that are used for nonqualified expenses?

**A** You must report withdrawals for ineligible expenses to the IRS. Check with your tax advisor for details.

### Q If I withdraw funds from my HSA by mistake, can I return them to my account?

**A** Yes, if you mistakenly withdraw money from your HSA, you can return it to your account. Just complete and return to EECU a "Mistaken Distribution Form". You must return the funds by April 15 following the year in which you mistakenly withdrew the money. You can access the "Mistaken Distribution Form" online at [www.eecu.org/HSA](http://www.eecu.org/HSA), by contacting EECU Member Services at 817-882-0800 or visiting a local EECU financial center.

### Q What are my obligations with an HSA?

**A** As the account owner, you are responsible for funding and maintaining your HSA in accordance with HSA regulations<sup>4</sup>, including:

- Making sure you're not covered by any plans other than your HDHP
- Ensuring that contributions do not exceed your applicable annual IRS maximum
- Ensuring that withdrawals for nonqualified expenses are added back to gross income
- Keeping records/receipts of your expenses
- Completing Form 8889 when you do your annual taxes
- Ensuring you do not have any other medical coverage (other than the HDHP) and that you cannot be claimed as a dependent on someone else's taxes

## Frequently Asked Questions

### Q Is a beneficiary required for my HSA?

**A** You may designate a beneficiary to receive your HSA assets in the event of your death. If you name your spouse as beneficiary, your spouse can treat the HSA as their own. If you designate a non-spouse beneficiary, he or she must take a distribution of the funds.

By having a beneficiary in place at the time of your death, the assets of your HSA can be distributed according to the designation. If you do not designate a beneficiary, your HSA will be transferred to your estate and included in your final income tax return.

It's a good idea to consult with a tax professional if you have any questions about the tax consequences for a beneficiary designation.

To designate a beneficiary, simply complete and return to EECU the Beneficiary Designation form which can be found on our website or you call us and ask for one to be sent to you.

### Q How do I update my email address, residential address, phone number or name?

**A** It's important to make sure that we have your latest contact information, so we can keep you informed about your account. Following are four ways that you may update your contact information.

**Through EECU Online Banking & Mobile Banking App:** [see instructions](#).

**By Mail:** you may write a letter and send it to: EECU, P.O. Box 1777, Fort Worth, TX 76101.

**By Phone:** call (817) 882-0800.

**In Person:** visit any EECU financial center.

## Frequently Asked Questions

### Q What if I already have an HSA? How can I move funds from my current HSA to my EECU HSA?

**A** If you already have an HSA, but not with EECU, you can roll over or transfer your HSA to EECU. If you have any questions regarding this or would like assistance with HSA Rollovers or Transfers, please contact EECU at (817) 882-0800, by secure email or chat online at [www.eecu.org](http://www.eecu.org) or in person at your local EECU financial center.

#### To transfer funds:

Instruct your current HSA custodian to transfer your HSA funds to your EECU HSA. There are no restrictions on the number of HSA direct transfers. You do not include the amount transferred in your income for tax purposes, deduct it as a contribution or include it as a distribution from the account.<sup>2</sup>

1. Open a health savings account with EECU

2. Complete, sign and return to EECU the HSA Transfer Form. EECU will forward it to your current HSA custodian, instructing them to transfer your funds directly to your new EECU HSA. The EECU HSA Direct Transfer Form is available at [www.eecu.org/HSA](http://www.eecu.org/HSA).

#### To roll over funds:

Withdraw your HSA funds from your current HSA custodian and then roll over (deposit) them to your EECU HSA, within 60 days after the date you received the funds. You can make only one rollover contribution to an HSA during a one-year period. Rollovers are not subject to the annual contribution limits.<sup>2</sup>

1. Open a health savings account with EECU

2. Close your existing HSA

3. Deposit the funds with EECU to roll into your new HSA

Rollovers and transfers are subject to IRS restrictions. Please contact your tax advisor for additional information.

### Q What happens to my EECU HSA if I leave my employer?

**A** All funds in your EECU HSA, including funds contributed by your employer, are yours to keep. If you leave your employer, you can keep your HSA at EECU or transfer your funds to another qualifying HSA.

### Q If I'm no longer covered by a high-deductible health plan, can I use funds from the HSA for expenses not covered by my health plan?

**A** Yes, you can withdraw HSA funds tax free for eligible expenses. You don't need to be enrolled in a high-deductible health plan (HDHP) to withdraw funds from your HSA, but you do need to be enrolled in an HDHP to contribute to the account.

## Can't find the answers you need in our FAQs?

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<sup>1</sup> Contributions, investment earnings, and distributions are tax free for federal tax purposes if used to pay for qualified medical expenses, and may or may not be subject to state taxation. A list of Eligible Medical Expenses can be found in IRS Publication 502, <http://www.irs.gov/pub/irs-pdf/p502.pdf>. As described in IRS publication 969, <http://www.irs.gov/pub/irs-pdf/p969.pdf>, over-the-counter medications (when prescribed by a doctor) are considered Eligible Medical Expenses for HSA purposes.

<sup>2</sup> For more information consult a tax adviser or your state department of revenue.

<sup>3</sup> Call (817) 882-0800 or stop by a financial center to order Standard checks at no charge, excludes shipping & handling or order custom checks, prices vary.

<sup>4</sup> See Department of the Treasury, Internal Revenue Service [Publication 969](#), "Health Savings Accounts and Other Tax-Favored Health Plans"

Federally insured by NCUA. National Credit Union Administration, a U.S. Government Agency – Member accounts are federally insured to at least \$250,000 and backed by the full faith and credit of the United States Government.