

## FREQUENTLY ASKED QUESTIONS HDHP/HSA

1. Who is eligible for the HDHP.
  - a. Actives
  - b. Non-Medicare retirees
  - c. Non-Medicare survivors
  - d. Cobra
  - e. Vested
  - f. Non-Medicare work related and long term disability
  
2. Will I have a separate card for my prescription benefits?
  - a. No, the medical and prescription card are combined.
  
3. Can I be enrolled in the cafeteria plan and also the HDHP/HSA?
  - a. You can enroll in the cafeteria plan for the Premium Only Participation (POP)
  - b. You can enroll in the Dependent Care benefit.
  - c. You can enroll in Commuter benefits.
  - d. You can enroll in the Limited Scope FSA.
  - e. You cannot enroll in a Flexible Spending Account (FSA)
  
4. What does the employer contribute towards your HSA?
  - a. \$500/year for Single coverage. \$1,000/year if 2 or more people are covered.
  - b. This is only for active employees.
  - c. Prorated for anyone not enrolled for the full contribution period.
  
5. Is the employer contribution prorated for new hires based on their beginning month of employment?
  - a. Yes, the contribution will be prorated based on the start date.
  
6. How does your dental and vision costs apply towards your deductible and out-of-pocket maximums?
  - a. Dental and Vision costs can be paid through the HSA, but they do not count towards your deductible or out of pocket maximum.

7. Can current retirees enroll?

a. Yes, current retirees can enroll. They will not receive the HSA contribution from MoDOT/MSHP. They also cannot be enrolled in Medicare or have a Medicare dependent.

8. Can I enroll if I am Medicare?

a. No, the HDHP is only available to non-Medicare employees and retirees.

9. If I am enrolled in the HSA as a retiree and become Medicare primary mid-year, am I required to switch to the traditional PPO plan?

a. Yes, an employee with any Medicare member on their plan must be enrolled in the PPO plan. If you know you will age into Medicare, we suggest changing at the first of the year.

10. If my spouse works for another agency and is enrolled in the HDHP/HSA plan through his/her employer, can I enroll in the HDHP/HSA through MoDOT/MSHP? If so, how does that work?

a. Yes. The plan has to be a qualified high-deductible plan as stated by the IRS. You would have to have separate HSA's.

11. If both my spouse and I work for MoDOT or MSHP can one of us enroll in the traditional PPO plan and the other in the HDHP/HSA w/ children?

a. Yes. But no members of the family could be enrolled in both.

12. If we both enroll in the separate plans, can you use HSA funds for the spouse enrolled in the traditional PPO plan?

a. Yes. Your spouse and dependents do not need to be covered by the HDHP to use your HSA funds to pay their out of pocket medical expenses. Dependent children must be claimed on your taxes to qualify for the HSA funds to be used for their expenses.

13. If enrolled in the HDHP/HSA, can I also enroll in the cafeteria plan flexible spending account for dependent care?

a. Yes, you can also enroll in the Commuter Benefits, and the Limited Scope FSA.

14. If I have accumulated over \$1,000 in the HSA account and elect to invest those funds over the \$1,000, what happens if my account goes below \$1,000 because I have claimed qualified expenses?

a. You would have to liquidate some of the money invested in order to get back to the \$1,000 level.

15. Is there a separate prescription drug deductible such as in the traditional PPO plan?

a. No, the prescription and the medical deductibles are shared.

16. If I have a claim in February for \$1,000 but only have \$250 in my HSA, can I collect the fully \$1,000 to pay my claim?

A: No, you cannot exceed the balance in your account as it is a debit card and would reject? Your available balance will always show on the Wealthcare web portal.

17. Can you contribute a check to Wealthcare mid-year after you realize you did not set your monthly deductions high enough to take care of the expenses you incurred?

a. Yes, as long as you stay below the IRS annual limit.

18. How do you realize a tax savings when you are making your contribution on-line or sending the deposit to Wealthcare?

a. You would not realize the tax savings until you file your taxes the next year.

19. Is there a maximum balance I can have in my HSA?

a. No, you can grow it to any sum.

20. Can someone make a lump sum contribution to their HSA with their annual leave and comp time payout?

a. Yes, but you cannot exceed the maximum annual contribution amount.

21. Will we allow the retirees who decide to choose the HDHP to switch back to the PPO plan?

a. Yes, but they will only be able to change with an effective date of 1/1.

22. Is it possible to transfer deferred compensation money into an HSA?

a. Yes. You cannot do a direct rollover however. You would have to withdraw the money from deferred compensation and then deposit it to the HSA. This would be subject to any fees for taking a deduction from the deferred compensation plan.

23. I noticed that the total annual employer contributions for the HDHP plan are greater than for the PPO plan. The difference is small, but what is the reason?

a. We worked with our plan actuary on strategies to make the value of the plans equal. Due to the savings achieved through greater deductibles and out-of-pocket maximums, the HDHP plan has a significantly lower value than the PPO plan. The employers will be providing those savings to subscribers enrolling in the HDHP plan through reduced premium and employer contributions to the HSA. Regardless of the plan in which you enroll, you will be receiving the same value due to those variations.

24. If I enroll a dependent, do I have to meet the entire family deductible before my coinsurance kicks in? Or does each individual only have to meet the individual deductible amount?

a. If a dependent is enrolled into the plan, the full family deductible must be met before claims will pay under the coinsurance level. The full family out of pocket maximum must also be met before the Plan begins covering 100% of the cost of approved services.

25. What other coverage can I have and still qualify for the HDHP with HSA?

- a. You can have additional insurance that provides only for the following benefits;
- Liabilities incurred under workers' compensation laws, tort liabilities, or liabilities related to ownership or use of property.
  - A specific disease or illness
  - A fixed amount per day (or other period) of hospitalization
- b. You can also have coverage for the following:
- Accidents
  - Disability
  - Dental/Vision Care
  - Long-term care