

Employee Health Savings Account (HSA) Payroll Contribution/Deduction Form

NEW ENROLLEE

Employees enrolling in a Town-sponsored Qualified High Deductible Health Plan (QHDHP) will be automatically enrolled in a Health Savings Account (HSA) which can be used to pay for qualified medical expenses per IRS regulations. The Town will make contributions as described below and employees can also make pre-tax contributions to their HSA from payroll.

HSA Annual Contribution Limits

The IRS places limits on the total amount that can be contributed into HSAs in one calendar year. Employees are responsible for tracking HSA contributions (employer and employee) toward the Annual Contribution Limit.

| | | | |
|-----------------------------|---------|--------------------------------|---------|
| Individual (CY2019): | \$3,500 | Age 55+ Catch-up Contribution: | \$4,500 |
| Family (CY2019): | \$7,000 | Age 55+ Catch-up Contribution: | \$8,000 |

Eligibility and contribution limits to your health savings account (HSA) are determined by the effective date of your high-deductible health plan (HDHP). If you're covered as of December 1, you're considered an eligible individual for the entire year and you're not required to pro-rate your contributions. If you cease to be an eligible individual during the next calendar year, any funding over the prorated amount is considered an excess contribution and subject to a penalty and income tax. For further information or to review eligibility, please contact HealthEquity Member Services at 866.346.5800. The Town is unable to provide you legal, tax, financial, medical or marital advice. Please contact a competent legal, investment or tax professional for personal advice on eligibility, tax treatment, and restrictions.

Employer Annual HSA Contribution

The Town contributes an amount equal to 50% of the deductible to the HSA for active employees enrolling in any QHDHP offered. New subscribers who enroll in the QHDHP are entitled to a pro-rated Annual HSA Town contribution paid on a per pay period basis. Pro-rated payments will begin with the first pay period issued after the effective date of coverage.

| | HDHP Deductible | Full Annual Town Contribution | Pro-Rated Town Contribution Per Pay Period | | | |
|-------------------|--------------------|----------------------------------|--|-------------------|-------------|-------------|
| | | | Weekly (52) | Semi-Monthly (24) | Weekly (42) | Weekly (38) |
| Individual | \$2,000 | \$1,000 | \$19.23 | \$41.67 | \$23.81 | \$26.32 |
| Family | \$4,000 | \$2,000 | \$38.46 | \$83.33 | \$47.62 | \$52.63 |

Employee HSA Contributions

Employees can contribute an additional amount to their HSA on their own through payroll deductions which are taken on a pre-tax basis. Changes can be made throughout the year, up to once per month, either as a change in regular pay period contributions or as a one-time lump sum contribution.

| | | | |
|---|---|---------------------|------------|
| 1. Employee Information | | | |
| Name: | | SSN (last 4) | XXX – XX – |
| Pay Frequency: | <input type="checkbox"/> Weekly (52) <input type="checkbox"/> Semi-Monthly (24) <input type="checkbox"/> Weekly (38) <input type="checkbox"/> Weekly (42) | | |
| Town Coverage: | <input type="checkbox"/> HPHC <input type="checkbox"/> Tufts <input type="checkbox"/> BC/BS <input type="checkbox"/> Fallon Direct <input type="checkbox"/> Fallon Select <input type="checkbox"/> Individual <input type="checkbox"/> Family | | |
| Effective Date of QHDHP Coverage: | | | |
| 2. Employee HSA Deduction Authorization | | | |
| Regular Pay Period Contribution | Please withhold \$_____ per pay period from my earnings beginning with the first payroll issued after the effective date of coverage, and apply the funds to my HealthEquity HSA. | | |
| 3. Employee Authorization and Certification | | | |
| By opening a health savings account (HSA) with HealthEquity, you accept the terms of HSA enrollment and the custodial agreement, which can be viewed here: http://resources.healthequity.com/Forms/Agreements/HealthEquity_Custodial_Agreement.pdf . | | | |
| Upon enrollment, you understand and agree to the following: | | | |
| <ul style="list-style-type: none">• You are covered by a qualified high deductible health plan (HDHP).• You are not covered by any other non-qualified health coverage, including Medicare.• You are not claimed as a dependent on another individual's tax return.• HealthEquity must verify your identity in order to open your HSA. | | | |
| For further information regarding HSA laws, go to http://www.irs.gov/pub/irs-pdf/p969.pdf . | | | |
| Employee Signature: | | Date: | |