

District Name _____

Teachers Admin ESP (Educational Support Professionals) Other _____

HEALTH SAVINGS ACCT (HSA) NEGOTIATIONS CHECKLIST

If an HSA is offered in 2018, there are a number of decisions to be made during collective bargaining.

School districts will need to **complete one decision checklist** for each collective bargaining agreement (unless the CBA's terms apply to more than one work classification (e.g. teachers and ESP) to be sure all details have been agreed upon.

Please note: The district must notify VEHI no later than **November 15, 2017** of the decision to use HealthEquity for the employees' HSAs in order to have the HSA set-up for members by **January 1, 2018**. HealthEquity will then contact the benefit manager by phone to complete the set-up. At that time the information on the next pages will be relayed.



HealthEquity (HEQ) HSA Features

Once it is determined that an HSA will be offered with the VEHI Gold CDHP, Silver CDHP or both, the following four questions will need to be answered for each plan design.

Below is an description about each of the questions:

Issue 1. Annual HSA School-District Funding

How much funding will the school district be making annually to employees' HSAs to help cover qualified medical expenses, based on their employees' tier of coverage (single, two-person, parent/child(ren), or family)?

Issue 2. Employee Match

Is the employee required to contribute to their Health Savings Account in order to receive employer contributions? If so, what are the terms (e.g. dollar for dollar match) for each tier of coverage? Please note: it is the responsibility of the employer to track and manage any match requirements.

Issue 3. School District Frequency of HSA Contributions

Will contributions by a school district be distributed on a monthly, weekly, annual, or other basis?

Issue 4. HSA Administrative Costs

HealthEquity charges an administrative charge of \$2.50 per account per month. This cost is billed to the employer, but can be paid by or shared with employees, if agreed to during collective bargaining.

Important Reminders:

In 2017, an HSA has an annual contribution limit of \$3,400 for a single and \$6,750 for two-person, parent/child[ren], or family coverage. These maximum amounts may change in subsequent years. An employee and/or employer can contribute to an HSA only if the employee is enrolled in an **HSA compatible plan**, like the VEHI Gold CDHP or Silver CDHP.

Employees who enroll in a CDHP **after** January 1 of any given year can contribute or receive contributions from their employer to an HSA up to the **full amount** only if they remain enrolled in their CDHP for the **entire next calendar year**. If they do not remain enrolled in the CDHP through the duration of the next calendar year, they may find they have over-contributed to their HSAs. If an employee over-contributes to an HSA, s/he can complete a form to remove the excess dollars -- only those HSA dollars will be taxable and the employee will **not** be subject to a penalty. If the over-contribution is **not** removed, the employee will pay both a tax and penalty to the IRS when filing his/her taxes. For more information on this particular issue, go to www.irs.gov or consult your Third Party Administrator.

Remember, too, a deductible runs over a **calendar year**, and a deductible for new employees must be paid in full even if the start date of coverage is very late in the calendar year (e.g., Sept. or December 1).

VEHI GOLD CDHP HSA Decision Checklist

Below are decisions that need to be made during collective bargaining if HSAs are going to be set-up for **January 1, 2018**. If you will be using Health Equity for your employees' HSAs, and you want your employees' HSAs established by **January 1, 2018**, you must notify VEHI **no later than November 15, 2017**.

District Name _____

Teachers Administration ESP staff Other _____

HSA being offered for VEHI Gold CDHP Yes (answer all questions on this page)
 No (move on to next page)

1. HSA employer funding – Annual amount contributed by the district. Note: The 2017 maximum annual contribution, including employee and district contributions: \$3,400 Single / \$6,750 Family (or more than 1)	Single \$ _____ Parent/Child(ren) \$ _____ Two Person \$ _____ Family \$ _____		
2. Employee match required?	<input type="checkbox"/> No match required	<input type="checkbox"/> Yes, per the terms below:: Single _____ Parent/Child(ren) _____ Two Person _____ Family _____	
3. When will the HSA dollars be provided to the employee?	Frequency of HSA contributions: <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Annually <input type="checkbox"/> Semi-annually <input type="checkbox"/> Bi-weekly <input type="checkbox"/> Other _____		
4. Who covers the cost of administration (administration costs are billed to employer, \$2.50 per account per month)	<input type="checkbox"/> Employer	<input type="checkbox"/> Employee	<input type="checkbox"/> Shared

VEHI SILVER CDHP HSA Decision Checklist

Below are decisions that need to be made during collective bargaining if HSAs are going to be set-up for **January 1, 2018**. If you will be using Health Equity for your employees' HSAs, and you want your employees' HSAs established by **January 1, 2018**, you must notify VEHI **no later than November 15, 2017**.

District Name _____

Teachers Administration ESP staff Other _____

HSA being offered for VEHI Silver CDHP Yes (answer all questions on this page)
 No (checklist complete)

1. HSA employer funding – Annual amount contributed by the district.

Note: The 2017 maximum annual contribution, including employee and district contributions: \$3,400 Single / \$6,750 Family (or more than 1)

Single \$ _____ Parent/Child(ren) \$ _____

Two Person \$ _____ Family \$ _____

2. Employee match required?

No match required

Yes, per the terms below::

Single _____
 Parent/Child(ren) _____
 Two Person _____
 Family _____

3. When will the HSA dollars be provided to the employee?

Type of covered expenses allowed:

Weekly Monthly Quarterly Annually
 Semi-annually Bi-weekly Other _____

4. Who covers the cost of administration (administration costs are billed to employer, \$2.50 per account per month)

Employer Employee Shared