

## ***Bancorp Health Savings Account (HSA)***

An “HSA” is a bank account set up with pre-tax money deducted from your paycheck and deposited on your behalf if you are enrolled in the High Deductible Health Plan (HDHP). On a voluntary basis, you may deposit up to 100 % of your individual or family deductible on your medical plan.

### **Carryover Rule:**

Unlike the FSA, any unspent dollars in your account are rolled over from year to year.

### **Medical Expenses:**

Money in this account may be used toward your deductible, or may be used toward many other medically related items or procedures as approved by the Federal Government, which includes treatment or procedures not covered by your health plan, dental work, glasses or contacts, some over the counter medicine etc. Typically excluded are cosmetic or elective services. For more information on specifics of what these funds can and cannot be used for visit Bancorp’s website: [www.mysmartsaver.com](http://www.mysmartsaver.com).

**Maximum deductions: \$3,350 single or \$6,650 if married and filing jointly.**

### **Over the Counter**

Effective January 1, 2011, account holders are required to obtain a physician prescription if purchasing over-the counter drugs, to be considered an eligible reimbursement expense against an HSA. For more information visit Bancorp’s website: [www.mysmartsaver.com](http://www.mysmartsaver.com)

**❖❖❖If you are eligible for Medicare and an active employee, you are not eligible to participate in the Health Savings Account feature. ❖❖❖**

### **Bancorp Fee Changes**

Effective September 1, 2011, Bancorp began charging a fee of \$1.25 to all MySmartSaver account holders who require paper statements. To avoid this fee log on to your account at [www.mysmartsaver.com](http://www.mysmartsaver.com) and navigate to “My Account>Statements>Change your statement delivery method.

Effective March 2012, Bancorp will charge an HSA account maintenance fee of \$2.50 per month. This will be waived for the first three statement cycles after a new MySmartSaver HSA account opening.

This \$2.50 fee will be waived for any statement cycle in which the account holder maintains:

- Balance over \$1,500, if an electronic deposit is credited to the account that statement cycle; or ,
- Balance over \$2,500, regardless if an electronic deposit is credited to the account that statement cycle.

**❖Although it may not be needed at the time of purchase, it is recommended that HSA account holders keep prescriptions along with receipts in their record in case they are ever audited.❖**

Bancorp Bank is the HSA carrier for the City of Baton Rouge/Parish of East Baton Rouge. If you have any questions contact customer service at (866) 546-9510 or see their website [www.mysmartsaver.com](http://www.mysmartsaver.com)

### ***Health Savings Account Frequently Asked Questions***

**Q:** Can I participate in an HSA while enrolled in the HMO plan?

**A:** No, you can only participate in HSA while enrolled in the HDHP plan.

**Q:** Can I contact Bancorp to cancel my account anytime during the year?

**A:** No, you are taking advantage of Section 125 of the Internal Revenue Code, which states that you can only make changes to tax-sheltered premiums at Open Enrollment or for a qualifying event. *That's why it is important to carefully estimate before electing an amount.*

**Q:** My spouse is also a City of Baton Rouge employee, can I elect an HSA and my spouse enroll in the *Family High Deductible Health Plan*?

**A:** No, the person who will carry the plan needs to also carry the Health Savings Account.

**Q:** I am enrolling in the HDHP and I am covered on my spouse's HMO plan that he has with the School Board, can I elect an HSA?

**A:** No, an employee who is covered as a dependent under a comprehensive (PPO, HMO, POS, etc) health plan and elects a HDHP, cannot contribute to the HSA.