

TERMS AND CONDITIONS

HEALTH SAVINGS ACCOUNT

I elect to participate and agree to be bound by the terms of the Plan.

I understand that:

- The Health Savings Account (HSA) program is a benefit established for eligible state employees enrolled in one of the It's Your Choice (IYC) High Deductible Health Plans (HDHP). The HSA program is authorized under Internal Revenue Service (IRS) Code Sections §125, §105, and §223 and Wisconsin Statutes §40.515.
- A new enrollment must be completed each plan year. If I do not complete enrollment during open enrollment, I forfeit the opportunity to participate in the HSA benefit option.
- The annual HSA contribution amount I elect will be deducted from my paycheck on a pre-tax basis. If I do not wish to have my HSA contributions deducted pre-tax and prefer to be taxed on these dollars, I will contact my human resource or benefit office.
- Pre-tax HSA contribution deductions reduce my compensation for Social Security benefit purposes.
- According to Wisconsin Statutes §40.87, participation in an HSA will not reduce my wages for calculating state retirement benefits. Also, my contributions in an HSA will not reduce my gross income for the purpose of calculating any other state benefits such as sick leave conversion credits, income continuation insurance, life insurance, deferred compensation, unemployment, or worker's compensation.
- Contributions made into one account cannot be transferred and used for expenses in any other account.
- Contributing to an HSA is completely voluntary, and payments from my HSA are independently reviewed for compliance with IRS regulations.
- Generally, contributions to an HSA are made on a month-to-month rule basis depending on what coverage I am enrolled in under the IYC HDHP on the first day of the month. For each month that I am enrolled in individual coverage a total of \$291.66 per month can be contributed. For each month that I am enrolled in family coverage a total of \$583.33 per month can be contributed. If I change enrollment in the IYC HDHP during the plan year, I can change my contributions based on the month-to-month rule. For example, I am enrolled in individual coverage for 6 months of the year and the other 6 months in family coverage. My total contributions are: $(6 \times \$291.66) + (6 \times \$583.33)$ or $\$1,749.96 + \$3,499.98 = \$5,249.94$.
- There is a limited exception to the month-to-month rule described above. This exception allows me to make the maximum annual contribution for the plan year based on my enrollment in the IYC HDHP and HSA on December 1st. Using the same 6-month example above, assume I change from individual to family coverage during the second half of the year. Under the month-to-month rule, I am limited to a maximum contribution of \$5,249.94. Since I was enrolled in family coverage on December 1st, I can use the limited exception and can contribute the full family HSA contribution amount of \$7,000.
IMPORTANT NOTE: In order to use this limited exception, I have to stay enrolled in the IYC HDHP and HSA at the same or higher level of coverage for the entire next plan year, called the 'testing period'. If I do not maintain this coverage, for instance I terminate employment or switch to a Non-HDHP the next plan year, then the excess funds contributed will be subject to a 10% excise tax.
- Eligible expenses must qualify as a health care deduction under the IRS.
- When I make a mid-year HSA contribution election or enrollment change, I am re-certifying to the terms and conditions.
- In circumstances where my TASC Card is lost/stolen or become aware of fraudulent charges, I will notify TASC immediately. TASC will deactivate the TASC Card and reissue a new TASC Card.
- If I am found to have used my HSA or TASC Card fraudulently, my participation in the state sponsored HSA may be terminated and I may lose the ability to participate in the state sponsored HSA benefit program in the future.

I certify that:

- The information I have provided is complete and accurate to the best of my knowledge.
- I am covered by one of the qualified IYC HDHP, and that I am not covered by any other non-permitted coverage.
- I have available to me a copy of the application and Custodial Agreement and Disclosure Statement and amendments thereto.



- I assume sole responsibility for all consequences found in the Application and Custodial Agreement and Disclosure Statement.
- I understand that I may revoke the HSA on or before seven (7) days after the date of establishment.
- I have not received any tax or legal advice from the custodian, and I will seek the advice of my own tax or legal professional to ensure my compliance with related laws.
- I release and agree to hold the HSA custodian harmless against any and all claims or losses arising from my actions.
- I agree to have my compensation reduced by the contribution amount(s) I elected on a pre-tax basis. If I do not wish to have my HSA contributions deducted pre-tax and prefer to be taxed on these dollars, I will contact my human resource or benefit office.
- I have reviewed and understand the benefits program eligibility and enrollment information and I agree to abide by all participation requirements.
- All dependents listed meet the eligibility requirements of the program.
- I shall not claim a federal income tax deduction or credit for any expenses that were reimbursed through my HSA.
- I will inform my human resources benefit office as soon as reasonably possible when I am no longer eligible to contribute to the HSA, for instance if I obtain other non-permitted coverage such as coverage under my spouse's plan, and I understand any contributions made for any month in which I am not an eligible individual will be subject to an excise tax, and that my employer will deduct any contributions it made for such an ineligible month from my HSA.
- Use of the TASC Card will comply with the terms and conditions of the Cardholder Agreement received with the TASC Card.
- That all expenses charged on the TASC Card will qualify as reimbursable per IRS rules, will be incurred only for me or my eligible dependents, and will not be reimbursed through any other means, including my or my dependent's insurance plans.
- I will keep all receipts and other documentation related to expenses charged on the TASC Card for account management and tax purposes. Upon request, within forty-five (45) days, I will fax, mail, or upload the required documentation to the Third Party Administrator.
- I understand additional TASC Cards issued to my spouse or dependent(s) will provide the named individual with access to my HSA. I accept responsibility for all card transactions incurred by the named individual and will submit documentation, as requested, for those transactions.
- I acknowledge and agree that use of the TASC Card in violation of this enrollment agreement or the Cardholder Agreement may result in the invalidation and forfeiture of the TASC Card.

Signature _____ **Date** _____

TASC complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex.
 ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-608-316-2408.
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