



# Welcome to your OCA Health Savings Account (HSA)

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## Congratulations!

Thank you for opening a OCA Health Savings Account (HSA) with PNC Bank as the Custodian. We are here to help you and your family understand how to take full advantage of your HSA. Our goal is to provide you with an affordable, convenient and “Worry Free” approach to begin saving for your medical expenses. Our online portal (myOCA) provides easy to follow tutorials that will simplify your HSA. Additionally, we provide access to our staff of financial wellness professionals. Your account has been opened, “Now let’s get started!”

### The fundamentals

A Health Savings Account (HSA) enables you to save, invest and spend funds for qualified medical expenses on a tax-advantaged basis. Your funds grow tax-free and unused HSA funds roll over from year to year. HSAs are a convenient and easy way to save for future medical expenses.

### What’s next

This Welcome Kit provides an overview of how your HSA works, including accessing your account online, ways to contribute and use your funds, benefits associated with maximizing your contributions and utilizing beneficial online tools and resources within the myOCA Portal. In addition, you will receive the additional material shortly:

- Welcome letter by mail or email with your account number
- Welcome letter by mail or email containing instructions on how to log in to the myOCA Portal as well as helpful links to other valuable resources
- HSA Debit Card (within 10 business days)

### Use this guide to get started

Now that your account is open, you can begin making deposits as well as using funds from your account to begin paying for qualified medical expenses.

Read through this guide for helpful hints and guidance on how to take control of your healthcare costs and begin saving for your future medical expenses.

**For more detailed information, visit [www.oca125.com/myoca/](http://www.oca125.com/myoca/) or call us toll-free at 855-622-0777.**

## Managing your account

Online or on the go with your mobile device, the myPCA Portal puts you in control. Online access can be fulfilled either during or following HSA enrollment. If following enrollment, visit [www.oca125.com/myoca/](http://www.oca125.com/myoca/) and select the participant icon to register. During this process, you will be prompted to enter both the Employee ID and Employer ID provided in your Welcome Email or Letter.

As part of the registration process, you will choose your own username and password. Once registered, you can sign-in to take control of your HSA.

### Online account access

You are getting much more than just an HSA; we are providing a suite of services through the myOCA Portal that will simplify your account. With a single user ID and password, you gain access to the following features:

- View account and investment balances
- Access to current and historical activity and balances
- Mobile and tablet access if you are on the go
- Graphs and reports to monitor contribution limits
- “Shoe Box” to record and upload related medical invoices
- Easy to use Bill Pay feature
- Access e-Statements
- Establish account alerts
- Ability to report and re-issue lost or stolen debit cards
- View and maintain account owner information
- Utilize contribution feature to set up electronic transfers
- Integrated investment option
- Access to online videos, calculators and other useful tools
- Online forms providing e-signature and auto delivery

### ***Your HSA is easy to manage!***

- ▶ *An array of mutual funds, including an interest-bearing account, gives you competitive investment choices.*
- ▶ *HSA contributions are automatically swept into your HSA Investment Account when they meet the necessary Sweep Threshold; no need to manually move funds between accounts.*
- ▶ *The HSA Deposit Account is FDIC insured up to the maximum permitted under FDIC guidelines.*

## Mobile application

When you're on the go, save time and hassles with the OCA Mobile App. Check your balances, transactions, and claim details for all your reimbursement accounts.

### Easy and convenient

- Designed to work just as other iOS and Android apps, making it easy to learn and use
- Shares user authentication with the WealthCare Portal, registered users can download the app and log in immediately to gain access to their benefit accounts, with no need to register their phone.

### Connects you with details

- Check available balances 24/7
- View account activity for your accounts
- View investment portfolio

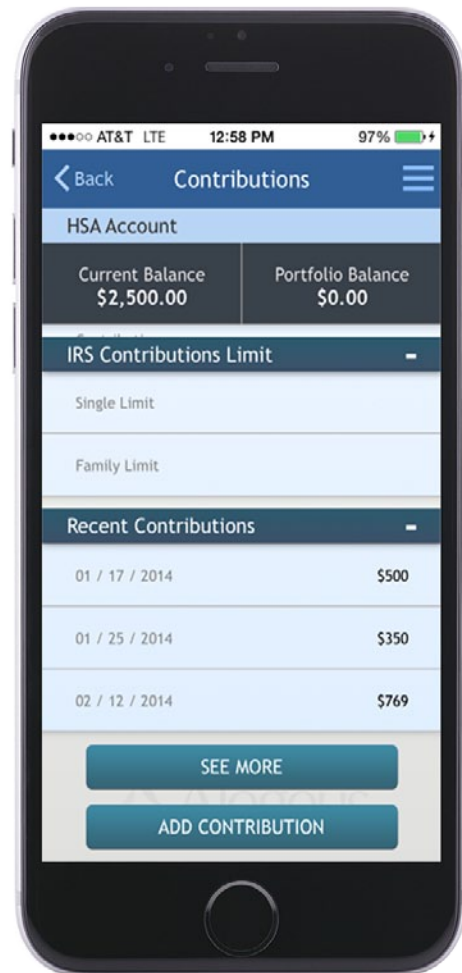
### It's secure

- No sensitive account information is ever stored on your mobile device and encryption is used to protect all transmissions.

### Mobile SMS alerts

The OCA Mobile App supports a wide variety of customizable SMS alerts to empower consumers to more pro-actively manage their accounts. Participants may opt-in or out of receiving SMS alerts at any time.

- Low balance
- Annual deductible met
- Address change
- Email change
- Password change
- Payroll deposit received
- Benefit debit card mailed
- Benefit debit card lost/stolen
- HSA statement available
- Monthly balance update



## Contributing is easy

Contributing funds help lower your taxable income and allow you to build a “Nest Egg” for future healthcare expenses. Contributions to your HSA may be made by you, your employer or anyone; however, the preferred tax treatment will only be realized by you.

### Contribution methods

You can contribute money to your account in several convenient ways including;

#### Direct Deposit

Your HSA account acts just like a personal checking account. If your employer offers direct deposit, you can give them your HSA account information to begin contributing via direct deposit.

#### Funds Transfer

Within the myOCA Portal you can schedule one-time or recurring electronic transfers from other financial institutions. They are fast and easy!

#### Account Transfer

If you have an existing HSA, you may be eligible to either rollover or transfer the funds to your new HSA. Required forms are available within the myOCA Portal or you may call us toll-free at 855-622-0777 for further assistance.

#### Checks

If you prefer, you can send us a check by mail made payable to PNC Bank FBO (Account holder Name) HSA and simply write your account number in the memo line. All checks should be mailed to **HSA Account Services, PO Box 162177, Altamonte Springs, FL 32716** with the appropriate HSA Contribution Form.



## Maximizing your contributions

As you decide how much to contribute, it's important to note that contributing the maximum allowable amount helps you to get the most from your HSA. At the very least, you'll want to contribute enough to cover anticipated healthcare expenses. Because your balance rolls over year to year, there is no penalty for contributing more than you're able to use in one year. The tax advantages of an HSA make it a powerful long-term savings vehicle.

The maximum annual contribution can be made even if you become HSA-eligible after your tax year begins, as long as you are covered under a HDHP on the first day of the last month of your tax year (December 1 for most taxpayers) and remain in a HDHP for the following 12 months. See IRS publication 969 for details. Contributions are allowed until April 15 for the previous calendar year. Additionally, if you are 55 or older, you are allowed to make a \$1,000 catch up contribution.

Keep in mind that HSA contribution limits, established by the IRS, may change each year and you must not over contribute to avoid adverse tax consequences.

	2019 Contribution Limit	Catch-up Contribution*
Single	\$3,500	\$1,000
Family	\$7,000	\$1,000

*\*Participants age 55 or older may make additional contributions above the set HSA maximum. Catch-up contributions can be made any time during the year in which the HSA participant turns 55.*

### Catch-up contributions for account holders 55 and older

If you are age 55 or older, you may be able to make a catch-up contribution above the annual limit. Even if you join a qualified HDHP after the start of the year, you can contribute the maximum amount, as long as you have HDHP coverage for the last month of the taxable year and for the following 12 months. Catch-up contributions for the partial year of HDHP coverage must be pro-rated.

**Does this sound complicated? Don't worry. There are tools within the myOCA Portal that will help you monitor your contributions and help prevent over contributing. Contact us if you have questions, 855-622-0777.**

## Using your HSA funds

HSA funds can be used to pay for qualified medical expenses, such as:

- Medical
- Dental
- Vision
- Prescription
- Medical Equipment
- Chiropractic

Go to [www.oca125.com/myoca/](http://www.oca125.com/myoca/) and use the Eligible HSA Expense tool to see which types of expenses are qualified. You can also go to [www.irs.gov](http://www.irs.gov) and download Publication 502. Generally, qualified medical expenses are those expenses directly related to the alleviation or prevention of physical or mental illness. If you use HSA funds for medical expenses that are not qualified, they will be included in your taxable income. (HSA withdrawals made for non-qualified expenses are subject to ordinary income tax and IRS penalties may be applicable to non-qualified expenses paid for with funds from your HSA. Additionally, state taxes may vary so please consult your tax advisor.)

### Pay for qualified expenses

- Use your benefits debit card where accepted, such as the pharmacy or doctor's office.
- Write your benefits debit card number on medical bills to have your HSA funds directed to the expense.
- Use online bill payment to pay for a healthcare expense or to reimburse yourself for an out-of-pocket medical expense.

### Keep good records of your expenses

Keep track of your expenses and payments by using the myOCA Portal to see balances, view transactions, create reports and upload receipts. Be sure to keep receipts for all of your medical expenses for at least three years for tax-reporting purposes.

If you use your HSA funds for non-qualified medical expenses, and are under the age of 65, you may incur a 20% penalty and owe income taxes on the amount used. After the age of 65, HSA funds can be used for any expense with no penalty, but you may still owe income taxes on those funds. Use of your HSA funds for qualified medical expenses are always tax-free.



## HSA investment options

### Are you a spender or saver?

Unlike other healthcare accounts, funds in your HSA do not expire and are not contingent upon your employment. Not only does your balance accrue interest, you have a unique opportunity to grow your money even more by investing in a select list of mutual funds.

#### 'Spender' or short-term investor: Earn interest on savings

Your HSA Deposit Account is similar to an interest-bearing checking or savings account. Savers will enjoy earning a competitive interest rate on all contributions, and the interest accumulates tax-free.

#### 'Saver' or long-term investor: Powerful options

Your HSA Investment Account was designed for account holders who are interested in using their HSA as a long-term savings vehicle. You must maintain a balance in your HSA of \$1,000 and anything in excess of that may be invested in increments of \$100. After you access your account online go to the Investment tab and Documents and Forms tab to find out more information about investing or call us toll-free at 855-622-0777.

**Mutual funds are not bank deposits or obligations, are not guaranteed by any bank, and are not insured or guaranteed by the FDIC. Investment in mutual funds involves risk, including possible loss of principal.**

### HSA investment account choices

You can view transactions, holdings, and statements online, update your account information or place a trade all from within the WealthCare Portal using your existing username and password. After establishing an investment account, you will have the ability to view your HSA balances and manage your portfolio holdings and transactions with ease.

## Useful tips and suggestions

### Make the most of your HSA

- Contribute the maximum to your HSA.
- Manage your healthcare expenses wisely.
- Learn about and practice healthcare consumerism.
- Invest unused HSA funds and make your money work harder for you.
- Take good care of yourself and your family – a healthy lifestyle makes a big difference.

Note: Your OCA HSA is generally triple tax-advantaged. You can save tax-free with your HSA. You can fund your HSA with pre-tax or tax-deductible contributions. Balances grow tax-free and withdrawals are also tax-free as long as the money is used for IRS-qualified medical expenses. State taxes vary. Consult your tax advisor to determine how HSAs are treated for state tax purposes for the state in which you file your taxes.

### Recordkeeping for tax purposes

You will be responsible for retaining your monthly statements with your HSA records and all receipts for qualified medical expenses. Online Statements are available for 18 months. Statements are generated at the end of each calendar month so please access your account regularly. Consult your tax advisor to determine how HSAs are treated for state tax purposes for the state in which you file your taxes.

At year end, PNC Bank as the Custodian of your HSA will send you the following:

- 1099 SA – Received by January 31 and shows your annual distributions
- 5498 SA – Received by May 31 and shows your annual contributions

When you receive these forms, if you feel there is an error, call us toll-free at HSA Account Services at 1-855-622-0777 and we will work with you to make corrections and provide a corrected form.

## Thank you for choosing the OCA HSA with PNC Bank as your Custodian

For more information about HSAs, visit [www.oca125.com/myoca/](http://www.oca125.com/myoca/) or call one of our customer support specialists toll-free at 1-855-622-0777.



# Employee FAQ:

## Health Savings Accounts

### What is a health savings account (HSA)?

An HSA is a tax-advantaged personal savings account that can be used to pay for medical, dental, vision and other qualified expenses now or later in life. To contribute to an HSA you must be enrolled in a qualified high-deductible health plan (HDHP) and your contributions are limited annually. The funds can even be invested, making it a great addition to your retirement portfolio.

### Why should I participate in an HSA?

Funds contributed to an HSA are triple-tax-advantaged.

- 1. Money goes in tax-free.** Most employers offer a payroll deduction through a Section 125 Cafeteria Plan, allowing you to make contributions to your HSA on a pre-tax basis. The contribution is deposited into your HSA prior to taxes being applied to your paycheck, making your savings immediate. You can also contribute to your HSA post-tax and recognize the same tax savings by claiming the deduction when filing your annual taxes.
- 2. Money comes out tax-free.** Eligible healthcare purchases can be made tax-free when you use your HSA. Purchases can be made directly from your HSA account, either by using your benefits debit card, ACH, online bill-pay, or check – or, you can pay out-of-pocket and then reimburse yourself from your HSA.
- 3. Earn interest, tax-free.** The interest on HSA funds grows on a tax-free basis. And, unlike most savings accounts, interest earned on an HSA is not considered taxable income when the funds are used for eligible medical expenses.

### What expenses are eligible for reimbursement?

Health plan co-pays, deductibles, co-insurance, vision, dental care, and certain medical supplies are covered. The IRS provides specific guidance regarding eligible expenses. (See IRS Publication 502).

### Am I eligible to participate?

In order to contribute, you must be enrolled in a qualified HDHP, not covered under a secondary health insurance plan, not enrolled in Medicare, and not another person's dependent. There are no eligibility requirements to spend previously-contributed HSA funds.

### What is a high-deductible health plan?

A HDHP is a health insurance plan with deductible amounts that are greater than \$1,350 for individual or \$2,700 for family coverage and have an out-of-pocket maximum that does not exceed \$6,750 for individual or \$13,500 for family coverage.

### How do I contribute money to my HSA?

Payroll deduction is most likely offered by your employer. Your annual contribution will be divided into equal amounts and deducted from your payroll before taxes. Direct contributions can also be made from your personal checking account and can be deducted on your personal income tax return.

### Can I change my contributions to my HSA during the year?

Yes. You will not be subject to the change-in-status rules applicable to other benefit accounts. You will be able to make changes in your contributions by providing the applicable notice of change provided by your employer.

### How much can I contribute to my HSA?

Contributions can be made by the eligible employee, their employer, or any other individual. Annual contributions from all sources may not exceed \$3,500 for singles or \$7,000 for families in 2019. Individuals aged 55 and over may make an additional \$1,000 catch-up contributions.

### **Do I have to spend all my contributions by the end of the plan year?**

No. HSA money is yours to keep. Unlike a flexible spending account (FSA), unused money in your HSA isn't forfeited at the end of the year; it continues to grow, tax-deferred.

### **What happens if my employment is terminated?**

HSAs are portable and move with you if you change employment. Your HSA belongs to you, not your employer, just like your personal checking account.

### **How do I access the funds in my HSA?**

Your HSA is similar to a checking account. You are responsible for ensuring the money is spent on qualified purchases only and maintaining records to withstand IRS scrutiny. Payments can be made via check, ACH, online bill-pay, or debit card, depending on what is available to you.

### **When must contributions be made to an HSA for a taxable year?**

Contributions for the taxable year can be made in one or more payments at any time after the year has begun and prior to the individual's deadline (without extensions) for filing the eligible individual's federal income tax return for that year. For most taxpayers, the deadline is April 15 of the year following the year for which contributions are made.

### **What happens to the money in my HSA if I no longer have HDHP coverage?**

Once you discontinue coverage under an HDHP and/or get secondary health insurance coverage that disqualifies you from an HSA, you can no longer make contributions to your HSA. However, since you own the HSA, you can continue to use the remaining funds for future healthcare expenses.

### **Is tax reporting required for an HSA?**

Yes. IRS form 8889 must be completed with your tax return each year to report total deposits and withdrawals from your account. You do not have to itemize to complete this form.

### **Can I still deduct healthcare expenses on my tax return?**

Yes, but not the same expenses for which you have already been reimbursed from your HSA.

### **Can I withdraw the money for non-healthcare purchases?**

Yes. If you withdraw the money for an unqualified expense prior to age 65, you'll be subject to your ordinary income tax, in addition to 20% tax penalty. You can withdraw the money for any reason without penalty after age 65, but are subject to applicable income taxes.

### **Can I roll over or transfer funds from my HSA or Medical Savings Account (or Archer MSA) into an HSA?**

Yes. Pre-existing HSA funds or MSA monies may be rolled into an HSA and will continue their tax-free status.

### **Can I control how the funds are invested?**

Yes. Once your HSA cash account balance reaches the minimum amount required by the custodian, you can transfer funds to an HSA investment account. You can choose from a selection of mutual funds and setup and allocation model for future transfers like you would for a 401k plan.

### **Can I transfer funds between the cash and investment accounts?**

Yes. You can transfer money between your HSA cash and HSA investment account at any time.



**For more information, call 1-855-OCA-0777**