Q: Can you use HSA money to pay for chiropractic care and, if yes, is there a limit? What about dental?

A: You will find the list of eligible expenses available here. You can use the HSA funds until they are depleted: https://www.wageworks.com/employees/benefits/health-savings-account-hsa/hsa-eligible-expenses.aspx

Q: What do we do if we have leftover funds in our FSA from 2014?

A: You can carry over a maximum of $500 balance from 2014

Q: My spouse will retire from WKU and be on Medicare starting Jan 1, 2015, can I use HSA $ to cover his qualified health expenses even he is not part of the WKU health plan?

A: Yes

Q: Are the earnings from the HSA ever taxable?

A: Upon withdrawal from the account, the funds in the HSA can be taxable if they are not used for qualified medical expenses.

Q: What was the maximum contribution to HSA for a Single?

A: $3,350 for Single, $6,650 for Family (+ $1,000 catch-up for ages 55-65)

Q: In looking at the reimbursable expenses on your website, it shows a Rx being needed for common OTCs (tylenol, etc.). Does this mean I will need to have my health care provider write a Rx for each time I need to buy tylenol, claritin, cough medicine, etc?

A: Yes, if you wish to use your HSA for those expenses. This has been in place for several years now since over-the-counter items were removed from the eligible expense list back in 2011.

Q: Can you explain what "84% auto adjudication rate" is?

A: That means that WageWorks can automatically adjudicate (approve) most claims without the member submitting receipts. They will receive claims file feeds from Anthem, ESI, Delta Dental, and Avesis regularly to substantiate and approve claims that have been paid using the debit card. If they cannot adjudicate the claim automatically, the member will be asked to submit documentation that the charge was an eligible expense.

Q: What are other tax implications of an HSA? It is treated as a monetary gift. If it gets interest, does that raise taxes for us during tax season?


“An HSA is generally exempt from tax. You are permitted to take a distribution from your HSA at any time; however, only those amounts used exclusively to pay for qualified medical expenses are tax free. Amounts that remain at the end of the year are generally carried over to the next year. Earnings on amounts in an HSA are not included in your income while held in the HSA.”
Q: What is the difference between pay me and reimburse me? What is the benefit of one over the other?

A: **Pay Me**: Available only with the HSA. This works like a withdrawal from a checking out where you can transfer funds from your HSA to yourself. Keep in mind if you are audited, any HSA dollars that are spent on non-eligible items are subject to a 20% penalty.

**Pay Me Back**: This is where you reimburse yourself for an eligible out of pocket expense. For example, you paid your doctor for an eligible expense out of your pocket. To get reimbursed for that out of pocket expense you will file a reimbursement to WageWorks via fax, online or from your mobile device. If it’s a valid expense and all the documentation meets IRS regulations WageWorks will reimburse you for that expense from your FSA, HSA or HRA account.

Q: If I were to choose the plan that has the HSA attached, but next I choose another plan that is not HSA eligible can we still contribute to the HSA through payroll deduction?

A: To be in the HSA you have to be enrolled in a high deductible health plan. If you are in a HDHP with an HSA one year and chose a non-HDHP the following year, you still are able to spend down the remaining balance in your HSA but aren’t eligible to contribute payroll deductions to the HSA.

Q: Could you please review again who is not eligible for an HSA?

A: From the IRS website, here is who IS eligible:


To be an eligible individual and qualify for an HSA, you must meet the following requirements.

- You must be covered under a high deductible health plan (HDHP)
- You have no other health coverage except what is permitted under Other health coverage
- You are not enrolled in Medicare.
- You cannot be claimed as a dependent on someone else’s tax return.

Q: Do you HAVE to add money to the HSA in addition to WKU’s contribution?

A: No, this is optional

Q: Can we put after tax dollars directly into the HSA account? If so how does that work?

A: Yes, you can send a check to deposit in your HSA.

Q: Once you invest your funds over $1,000, is there a penalty to spend those funds or if the balance drops below $1,000?

A: There is no penalty to if your balance falls below $1,000.

Q: If money is still in FSA at end of the year, may the money be transferred to HSA?

A: No, but $500 can be carried over into the next plan year. We will be notifying WKU employees who have FSA balances within the next week about how this will work.

Q: Are my spouse’s eligible expenses covered even if they aren’t on the WKU plan?

A: Yes
Q: For tax auditing purposes, can I get the digital copies of my receipts BACK (from) the WageWorks web site or app?
A: Not at this time. That is currently an enhancement WageWorks is making to the EZ Receipts application.

Q: With post tax dollar contributions - those can be claimed on taxes, correct?
“You can claim a tax deduction for contributions you, or someone other than your employer, make to your HSA even if you do not itemize your deductions on Form 1040.”

Q: What is the benefit of using the limited FSA as opposed to just using your HSA?
A: Some individuals may wish to reserve the HSA funds for medical and prescription expenses to help meet the medical plan deductible and/or to maximize the savings, growth, and roll-over provisions of the HSA. You can also max out, using pre-tax money, the HSA up to the annual contribution limits and then also max out the Limited Purpose FSA for dental and vision expenses, using pre-tax money as well. Because the HSA can be used in retirement as a tax free account to pay for eligible medical expenses, some may prefer to save funds in that account for use at a later date.

Q: The presentation stated that if you were covered by your spouse’s FSA, you were ineligible for a HSA. What if you are covered by a spouse’s HRA?
A: If you are enrolled in your spouse’s medical plan then you are ineligible for the HSA. HRA’s are generally tied to health plans so if you are on your spouse’s health plan that has an HRA, you cannot also be covered under WKU’s HSA Health Plan option.

Q: My husband is employed at Logan Aluminum and they are switching all employees and families to an HSA. Logan Aluminum requires me to carry my own coverage as primary in order to be covered by their plan as secondary. Can I not choose WKU’s HSA option as my primary option?
A: You cannot be covered under your husband’s health plan and be covered under an HSA. If your husband elects the HSA option and you are not covered under his plan, then you could choose coverage under WKU’s HSA option. However, the IRS maximum contribution to an HSA is $6,550 for family. The total contributions from your husband’s HSA and your HSA cannot exceed this family maximum amount.

Q: I was wondering if you can repeat if HSA can be rolled over. WKU HR website says in "Terms You Need to Know": "HSA’s are owned by the employee and are fully portable, and all remaining balances roll over from year to year". Is it correct?
A: Yes, this is correct

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HR Coffee Break – October 30, 2015
WageWorks and the Health Reimbursement Arrangement (HRA) & Flexible Spending Accounts (FSA) Q & A

Q: Are the HRA and FSA funds on the same card or different cards?
A: They are on the same card. The card will apply the FSA funds first until the account hits zero and then begin pulling the HRA funds second.
Q: Do I understand correctly that if the employee is under age 65, but spouse is Medicare eligible then the couple would need to enroll in plan with HRA?

A: If the employee is under age 65 and the spouse is enrolled in Medicare (including Hospital Part A), then the couple could still enroll in the HSA option; however, WKU could not contribute to the HSA nor could the employee. That would mean the WKU upfront credits in the HSA and any additional wellness credits would be forfeited. The couple could enroll in the PPO Plans with the HRA and still receive the WKU wellness credits in the HRA.

Q: Will we get asked by Wage Works to provide a receipt each time the card is used or just sometimes?

A: You may be asked to provide a receipt periodically. WageWorks has an 84% auto-adjudication rate. That means that WageWorks can automatically adjudicate (approve) most claims without the member submitting receipts. They will receive claims file feeds from Anthem, ESI, Delta Dental, and Avesis regularly to substantiate and approve claims that have been paid using the debit card. If they cannot adjudicate the claim automatically, the member will be asked to submit documentation that the charge was an eligible expense.

Q: Signing up for the dependent care reimbursement through WageWorks, will it be a 2 step process like it was with TASC? Do we still use WKU’s form and then what?

A: There is a Dental Care Claim Form available within the benefits portal with instructions for claiming dependent care expenses with WageWorks (www.wku.edu/benefits/bf). You can also review their website for additional ways to use the dependent care FSA.

Visit www.wageworks.com for additional information