

# HEALTH SAVINGS ACCOUNTS

A new benefit offered by the  
Mississippi Development Authority



# Hello!

This presentation will provide you with information on an important new benefit that will be offered by the Mississippi Development Authority for 2021.

Flex Made Easy (FME) is the administrator of your Flexible Spending Plan and will also administer the Health Savings Accounts in 2021.


Let's go over the details of this exciting new benefit.

A decorative graphic consisting of several parallel white lines of varying lengths, slanted diagonally from the bottom right towards the top right, set against a blue background.

## What Is An Health Savings Account?

Health Savings Accounts (HSA) allow you to set aside money from your paycheck on a **pre-tax** basis to pay for your out of pocket medical, dental and vision expenses. That means you do not have to pay federal, state or FICA taxes on these dollars....which means you have more money in your pocket! Most people can save 25% on each dollar that is set aside, for expenses they are paying for anyway!


## **Am I eligible for the Health Savings Account?**

- ❖ In order to be eligible for the Health Savings Account, you must be enrolled in the Qualifying High Deductible Medical Plan offered by the state of Mississippi.**
  - ❖ You cannot be enrolled in Medicare.**
  - ❖ You cannot enroll in the Healthcare Flexible Spending Account.**
- 

## How much can I contribute to the Health Savings Account?

- For 2021, you can contribute up to \$3,600 if you have individual coverage under the High Deductible Medical Plan.
- If you and one or more dependents are covered you can contribute \$7,200.
- You can contribute an additional \$1,000 if you over age 55.
- You can change your election anytime during the year. You do not need to have a Qualifying Life Event to stop or change your deduction.

## What expenses are covered under the Health Savings Account?

- ✓ Co-pays
  - ✓ Deductibles and co-insurance
  - ✓ Prescriptions
  - ✓ Chiropractic Care
  - ✓ Dental expenses such as annual exams, dental x-rays, fillings, crowns and orthodontia.
  - ✓ Vision expenses including eyeglasses, contact lenses and vision exams
  - ✓ Medical and diabetic supplies
- 

## Health Savings Account – Healthcare FSA

You may be thinking “This sounds a lot like a Healthcare Flexible Spending Plan.”

You are correct! The two plans are similar but there are important differences. Let’s go over a few of those similarities and differences.

	Healthcare Flexible Spending Plan	Health Savings Account
Health Insurance Requirement	Your eligibility is not tied to any type of health insurance coverage.	You must be enrolled in a qualifying high-deductible health plan (HDHP) and not enrolled under Medicare.
Enrollment Requirements	You can elect to participate in the Plan during your annual benefit enrollment each year.	You can elect to participate in the Plan during your annual benefit enrollment each year. A Health Savings Account with Healthcare Bank will be opened. You will receive instructions on how to complete the set-up of your account from Flex Made Easy.
Contribution Limits	For 2021, the contribution limit is \$2,750	For 2021: \$3,600 if you have single coverage, \$7,200 for family coverage. If you are 55 or older anytime in 2021, you can contribute an additional \$1,000.
Changes in contributions	Contribution amounts can only be changed if you experience a Qualified Change of Status Event	You can change the amount you contribute any time during the year.
Eligible Expenses	You can be reimbursed for out of pocket medical, dental and vision expenses allowed under Section 213(d) of the Internal Revenue Code. The expense must be incurred in the Plan Year	You can be reimbursed for out of pocket medical, dental and vision expenses allowed under Section 213(d) of the Internal Revenue Code. The expense must be incurred after your Health Savings Account is active.
Debit Cards Issued	Yes	Yes
Reimbursement Limits	You can be reimbursed up to your full annual election at any time during the Plan Year.	You can only be reimbursed up to your current account balance.
Forfeitures	You have a 2 1/2 month Grace Period after the end of the Plan Year. Any eligible expenses incurred during the Grace Period can be reimbursed from your remaining balance from the prior Plan Year.	The account balance rolls over from year to year.
Portability after end of employment	Normally no. Continuation under COBRA may be available depending on if you have contributed more than you have been reimbursed when your employment ends.	Yes, you retain ownership of your Health Savings Account





## Healthcare FSA

- ▶ Eligibility not tied to any medical plan
- ▶ Deduction can only be changed during the year with Qualifying Life Event
- ▶ You can be reimbursed up to your full annual election any time during the Plan Year.
- ▶ You have a 2 ½ month grace period after the end of the plan year to incur expenses.
- ▶ Normally your eligibility to incur expense ends after you leave employment with MDA.

## Health Savings Account

- ▶ Must be enrolled in Qualifying High Deductible Plan. Cannot be enrolled in Medicare.
- ▶ You can change your deduction at any time.
- ▶ You can only be reimbursed up to your current account balance.
- ▶ Any remaining balances rolls over from year to year with no limitations.
- ▶ The account remains yours, even if you end your employment with the MDA.

## The Flex Made Easy Difference

- **There is a \$3.50 fee for the Health Savings Account that will be deducted on a monthly basis from your account balance.**
- **Benefits Debit Card: You will receive the FME Visa debit card for easy payment of qualified expenses and two cards will be sent to each enrollee. There is a \$5.00 charge for any additional or replacement cards.**
- **Easy Online Bill Pay: online distribution requests give you direct access to your funds.**
- **Mobile App: free download is available for you to easily check your available balance from anywhere using an Apple or Android mobile device.**
- **Tax Reporting: IRS Tax forms 1099-SA and 5498-SA will be available on the online portal.**

## **Important Items to Remember**

Once your election has been received by Flex Made Easy we will email you instructions on how to register your account at our website.

**[WWW.FlexMadeEasy.com](http://WWW.FlexMadeEasy.com)**

You will need to register your account in order to accept the terms and condition agreements to open your account.

All HSA Accountholders must pass the Customer Identification Program (CIP) in accordance to the USA Patriot Act, the Bank Secrecy Act, the Money Laundering Control Act and all other applicable anti-money laundering laws. Some employees may receive a request for additional information as part of the CIP process. Examples of information that may be requested include a copy of current driver's license, copy of utility bill, or a Passport.

Flex Made Easy will email you if any additional documentation is needed to open your account.

▶ Any Questions?



Call us toll-free at 855-615-3679 or  
email us anytime to  
[info@flexmadeeasy.com](mailto:info@flexmadeeasy.com)

