



Your **health savings account**  
is awesome!



# Easy to understand facts about Health Savings Accounts

**Congratulations on choosing BlueSolutions for HSA Direct as your health plan! While you can choose any bank for your HSA, only UMB Bank provides the convenience of an integrated account with your plan.** It's naturally integrated with your health plan and accessed with a single sign-on through Blue Cross & Blue Shield of Rhode Island (BCBSRI). HSAs are a convenient and easy way to save for future medical expenses. Any growth in your HSA fund is tax-free, and the amount in your fund rolls over from year to year. Please read on to learn further details about your HSA.

Important points about HSAs:

- **They can have big tax benefits**

HSA contributions can reduce your taxable income. Interest on an HSA is earned tax-free. There is no tax on using the money for qualified medical expenses. That's what we call the "Triple Tax Advantage!" (More on taxes below.)

- **They're flexible**

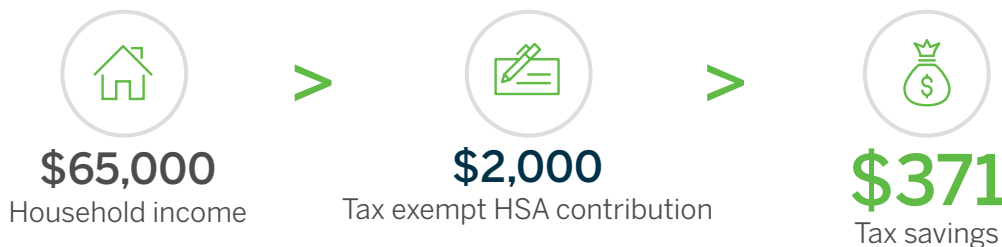
Purchases of qualified medical expenses can be made directly from your HSA account, either by using your HSA debit card (provided with your account), ACH, online bill-pay, check, or you can pay out-of-pocket and then reimburse yourself from your HSA (as long as the HSA was open at the time you made the purchase).

- **Your money stays in your account!**

The account is yours whether you change jobs or move. There is no deadline to use funds, and money you contribute is yours to keep.

## Savings example\*

**For a married couple in Rhode Island filing a joint tax return**



*\*This example is for illustrative purposes only and does not represent actual tax impact.*

**HSAs are subject to annual contribution limits set by the Internal Revenue Service (IRS)**

**2019 Annual  
contribution maximums**

Individual plans:

**\$3,500**

Family plans:

**\$7,000**

*If account holder is 55 years or older, they can  
contribute an extra **\$1,000**.*

This communication has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for, tax, legal or accounting advice. You should consult your own tax, legal and accounting advisors before engaging in any transaction. HSAs are not insurance. HSAs are individual accounts, and are subject to eligibility and restrictions, including but not limited to, restrictions on distributions for qualified medical expenses set forth in section 213(d) of the Internal Revenue Code.

UMB Bank is a registered service mark of UMB Financial Corporation, an independent financial services company that provides HSA administrative services. UMB Bank does not provide BCBSRI products and is solely responsible for the financial products it provides. Funds in a UMB Bank HSA Deposit Account are held at UMB Bank, n.a., Member FDIC. UMB Bank investment accounts are not FDIC insured, not bank guaranteed and may lose value.

---

## HERE ARE SOME QUESTIONS YOU MIGHT HAVE:

### What is a health savings account (HSA) and how do I get one?

Think of it like a retirement account for medical expenses. You can contribute money to your account and spend it on immediate, qualified medical expenses. Or you can keep saving and investing your money for use later in life. It's your choice. In order to be eligible, you must first choose an HSA-qualified high-deductible health plan, like BlueSolutions for HSA Direct. *Please see page 4 for information about how to set up your HSA.*

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

In 2019 annual contributions from all sources may not exceed \$3,500 for individuals or \$7,000 for families. Individuals aged 55 and over may make an additional \$1,000 catch-up contribution. The IRS sets these limits every year, and they are subject to change.

### When does an HSA become interest bearing?

Many HSAs provide interest regardless of account balance, much like an interest-bearing checking or savings account. Savers can earn interest on contributions, and the interest accumulates tax-free. UMB Bank account holders can transfer HSA funds into an investment account once their HSA account balance reaches \$1,000. (UMB Bank investment accounts are subject to an additional fee, are not FDIC insured, not bank guaranteed, and may lose value.)

### How do I make payments with my HSA?

Your HSA is similar to a checking account. Payments can be made with your HSA debit card, online or HSA check (additional fee), ACH, or you can pay out-of-pocket and then reimburse yourself from your HSA (as long as the HSA was open at the time you made the purchase).

### What expenses are eligible for reimbursement?

The IRS provides specific guidance regarding eligible qualified medical expenses. *Please see page 7 for a sample of eligible expenses.*

### Where can I learn more about all of this?

There are tools on your BCBSRI HSA website that will help you monitor your contributions and help prevent over contributing. To learn more, go to [bcbsri.com](http://bcbsri.com) and log in. Click YOUR HSA in the left hand tool bar.



## Tax Highlights (If you like that kind of thing)

Funds contributed to an HSA have tax advantages.

### Money comes out tax-free.

Spending on qualified medical expenses can be tax-free when you use funds from your HSA. These purchases can be made directly from your HSA account, either by using your HSA debit card (provided with your account), ACH, online bill-pay, check, (additional fee) or you can pay out-of-pocket and reimburse yourself from your HSA.

### Earn interest, tax-free.

Any interest on HSA funds grows on a tax-free basis.

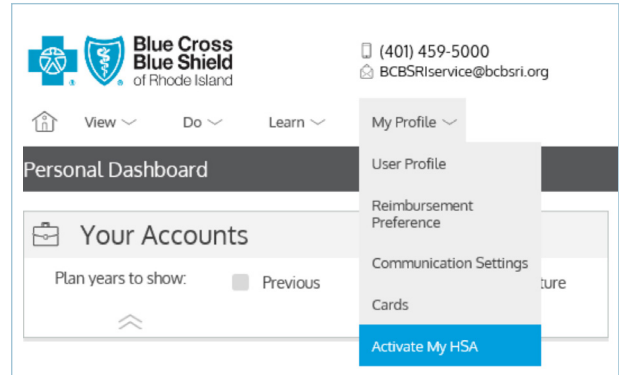
# How to Set Up Your HSA

To set up your HSA through UMB Bank, just follow the steps below.\* You can then add money to your account, order an HSA debit card, and start using your HSA to pay your qualified medical expenses.

**Step 1:** First, be sure to create a member account on [bcbsri.com](http://bcbsri.com). You'll need your BCBSRI member ID card and a valid email address.

**Step 2:** Once you've logged in to your member home page, click **YOUR HSA** on the left tool bar. You will then be directed to your BCBSRI HSA member portal.

**Step 3:** Click **MY PROFILE** tab, then click **ACTIVATE MY HSA**.



**Step 4:** Complete the following account registration pages:

- **Start by choosing any one of the 4 HSA options.** Click **START** next to the HSA option you select, then **ENROLL** to proceed.

00000001008MHD0033 Direct Pay Group - TBB <i>New</i> Enrollment Dates Rolling Enrollment	<b>START</b>	00000001008MHD0035 Direct Pay Group - TBB <i>New</i> Enrollment Dates Rolling Enrollment	<b>START</b>
00000001008MHD0047 Direct Pay Group - TBB <i>New</i> Enrollment Dates Rolling Enrollment	<b>START</b>	00000001008MHD0049 Direct Pay Group - TBB <i>New</i> Enrollment Dates Rolling Enrollment	<b>START</b>

- **Complete any of the required fields and ensure accuracy of pre-populated fields.** Click **NEXT** to proceed.

General Info			
First Name *	Allison	Phone *	401100000
Initial		Email *	a.johnston@email.com
Last Name *	Johnston	Re-Enter Re-enter Email *	a.johnston@email.com
Date of Birth *	April 6, 1958	10 SMITHFIELD WAY EAST PROVIDENCE, 02914	
SSN *	****1958		
Address			
Home Address (Not PO Box) *		Mailing Address	
Address 1 *		Same as home address <input type="checkbox"/>	
10 SMITHFIELD WAY		Address 1	

**Opt in to receive e-statements by clicking the PDF to access the PIN#**, then enter the PIN# in the specified field. Click **YES, I ACCEPT**, and **NEXT** to proceed.

Statements & Forms

Statements

Monthly statements will be made available online as a PDF document



Electronic Only

Electronic Documents Access

In order to elect Electronic Documents, you must verify your ability to access Electronic Documents.

Please open [Sample PDF File](#) and enter the PIN Number below.

Enter PDF PIN Number

 [Click here to open PDF](#)  [Get Adobe Acrobat Reader](#)

**Confirm all information is correct.** Add dependents if applicable, then click **SUBMIT** to complete the activation process.

Participant Demographics

Allison Johnston

Date of Birth  
April 6, 1958

Home Address  
10 SMITHFIELD WAY  
EAST PROVIDENCE, 02914  
US

SSN  
\*\*\*\*\*1958

Phone  
401100000

Email  
ajohnston@email.com

**Step 5:** After completing the registration form and accepting all agreements, please click **DONE**. Your HSA will now be activated and you will be able to transfer money to it. Be on the lookout for important information that will come by mail:

- Your HSA debit card, which you can use to pay for qualified medical expenses
- A welcome kit from UMB, which includes your HSA account number, checkbook, and important banking information

**\*HSAs established at UMB Bank incur a monthly fee of \$2.00, which is automatically withdrawn from your account.**

# Easy-to-use **website** and **mobile app** to manage your HSA!

**Accessing your HSAs just got easier** with BCBSRI's enhanced website. The website is mobile and tablet-friendly, features dashboard-style navigation and, best of all, it's a convenient way to manage your HSA.

## Dashboard

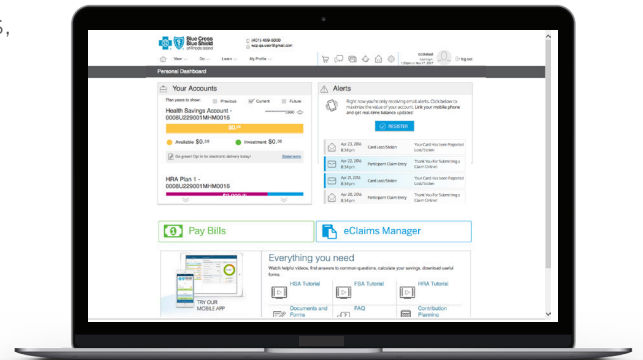
Convenient access to: balances, claims history, paying bills, and even investment information.

## Log in to your HSA account

Go to **bcsbri.com** and log in. Click **YOUR HSA** in the left hand tool bar.

## Explore HSA tools and resources online

- View your account
- Pay bills and submit claims
- Calculate your savings
- Learn how to use your HSA



## BLUESOLUTIONS SPENDING ON THE GO

The convenient BlueSolutions Spending On the Go app is a great way to manage your consumer spending account from your phone or mobile device. You can do all the things available to you on the website, like check your account balances, view your claims, request reimbursement, and even get some educational tips on your HSA.

## Download BlueSolutions mobile app

1. Download the app from the App Store or Google Play.\*
2. Open the app from your phone.
3. Click on the "sign up" link and follow the prompts.



*Please note: Standard mobile phone carrier and data usage charges apply. The downloading and use of the BlueSolutions Spending mobile app, which only works with a UMB Bank account, is subject to the terms and conditions of the app and the online stores from which it is downloaded.*



*\*Apple and the Apple logo are trademarks of Apple Inc., registered in the U.S. and other countries. App Store is a service mark of Apple Inc. Google Play is a trademark of Google Inc.*

## A SAMPLING OF QUALIFIED MEDICAL EXPENSES AND NON-QUALIFIED MEDICAL EXPENSES\*:

Funds you withdraw from your HSA are tax-free when used to pay for qualified medical expenses. The expenses must be primarily to alleviate or prevent a physical or mental disability or illness. A complete list and discussion of these expenses is available on the IRS website. The IRS may modify this list at any time.

### Qualified:

Acupuncture	Medicare Part D premiums
Ambulance	Mental health
Birth control pills	Neurologist
Braces	Nursing home
Cancer treatment	Optometrist
Chemical dependency	Prescription drugs
Child birth/delivery	Psychiatric care
Chiropractor	Psychologist
Contact lenses	Smoking cessation programs
Deductibles	Surgeon fees
Dental treatment	Transplants
Diagnostic tests	Transportation for healthcare
Durable medical equipment	Vision expenses
Eyeglasses	X-ray fees
Eye surgery	
Hearing aids	
Hospital services	
Insulin treatment	
Laboratory fees	
Long-term care	
Machine tests	

### Non-qualified:

- Cosmetic surgery
- Deodorant
- Electrolysis hair removal
- Funeral expenses
- Health club dues
- Medicated shampoo and soap
- Multivitamins
- Non-prescription medicines, like cold and flu pills (unless prescribed by a doctor)
- Soap
- Teeth whiteners
- Tissues
- Toiletries

\* This list is for illustrative purposes and is not a complete list of qualified medical expenses. All items on the list may be subject to further limitations. Consult your tax advisor for specific tax advice. Please see IRS Publication 502 for a more detailed listing of qualified medical expenses. This communication is not intended as legal or tax advice.



500 Exchange Street • Providence, RI 02903-2699

Blue Cross & Blue Shield of Rhode Island is an independent licensee of the Blue Cross and Blue Shield Association.