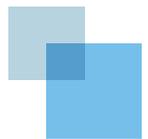


Health Savings Account (HSA) A Member Guide



It takes a team



**Blue Cross
Blue Shield**
of Rhode Island

Save the Smart Way And Maximize Your Healthcare Dollars



With your BlueSolutions for HSA Direct health plan, you have the option to set up a health savings account (HSA). This tax-advantaged account can help you control your healthcare costs in the short-term by taking advantage of tax savings.¹ This guide provides all the information you need to start using this valuable savings feature.

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Important: Due to banking regulations, the BCBSRI HSA custodian, UMB Bank, will automatically mail you account paper statements. However, the bank will charge a fee of \$1.25 per statement per month. In order to avoid the fee and elect for the statements to be electronically sent to you, please follow these simple instructions:

It's easy and takes only a minute to switch from paper to E-Statements:

- Log on to your account through your HSA portal from [www. BCBSRI.com](http://www.BCBSRI.com).
- Click on YOUR HSA in the left toolbar.
- Click on MY HSA tab in top toolbar.
- Within navigation box, click HSA STATEMENTS, then select OPT-IN to E-STATEMENTS.
- Click SUBMIT to complete the process.
- You will receive a confirmation that the change has been made.

¹Note: States can choose to follow the federal tax-treatment guidelines for HSAs or establish their own; some states tax HSA contributions. If you have questions about your tax implications, consult your tax advisor.

HSA funds used to pay for non-qualified medical expenses are subject to income taxes on the amount and a possible additional 20% penalty, if you're under age 65."

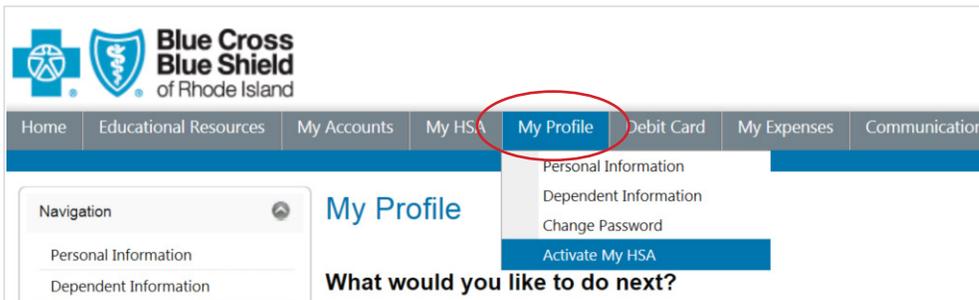
How to Set Up Your HSA

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

Step 1: First, be sure to create an account on 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:

Part A: OPEN ENROLLMENT – You need to enter an Employer/Enrollment ID and Employee ID/Participant ID, as well as your last name and security verification to begin the application process. See below for additional guidance:

Please enter the following information to begin:

Employer/Enrollment ID*

Employee ID/Participant ID*

Last Name*

Enter text for verification:

B1-77B

* = required

Even though you are not enrolled in a health plan through an employer, you'll need an [EMPLOYER/ENROLLMENT ID](#), which you can find by following these simple steps:

- Click [COMMUNICATIONS](#) tab
- Click [ANNOUNCEMENTS](#)
- Click [ANNOUNCEMENT](#) titled "[EMPLOYER ID](#)"

Example = LHBABJ123

Part B: ENROLL ONLINE – Select the HSA plan you want to activate and then select the [ENROLL NOW](#) link within the [ACTION column to continue](#). (If you don't want to activate your HSA, click [WAIVE NOW](#).)

Your HSA [EMPLOYEE ID](#) is the same as your [SUBSCRIBER ID](#) number, which is on your BlueSolutions member ID card.

Example: ZBF123456789

Part C: PERSONAL INFORMATION – Once you enroll, you will be directed to the next enrollment section where you'll need to enter your personal and dependent information. When completed, click [NEXT](#).

How to Set Up Your HSA *(continued)*

Part D: ADDITIONAL INFORMATION – In this section, provide your **ACCOUNT DETAILS** and confirm the information you entered is accurate. When completed, click **NEXT**.

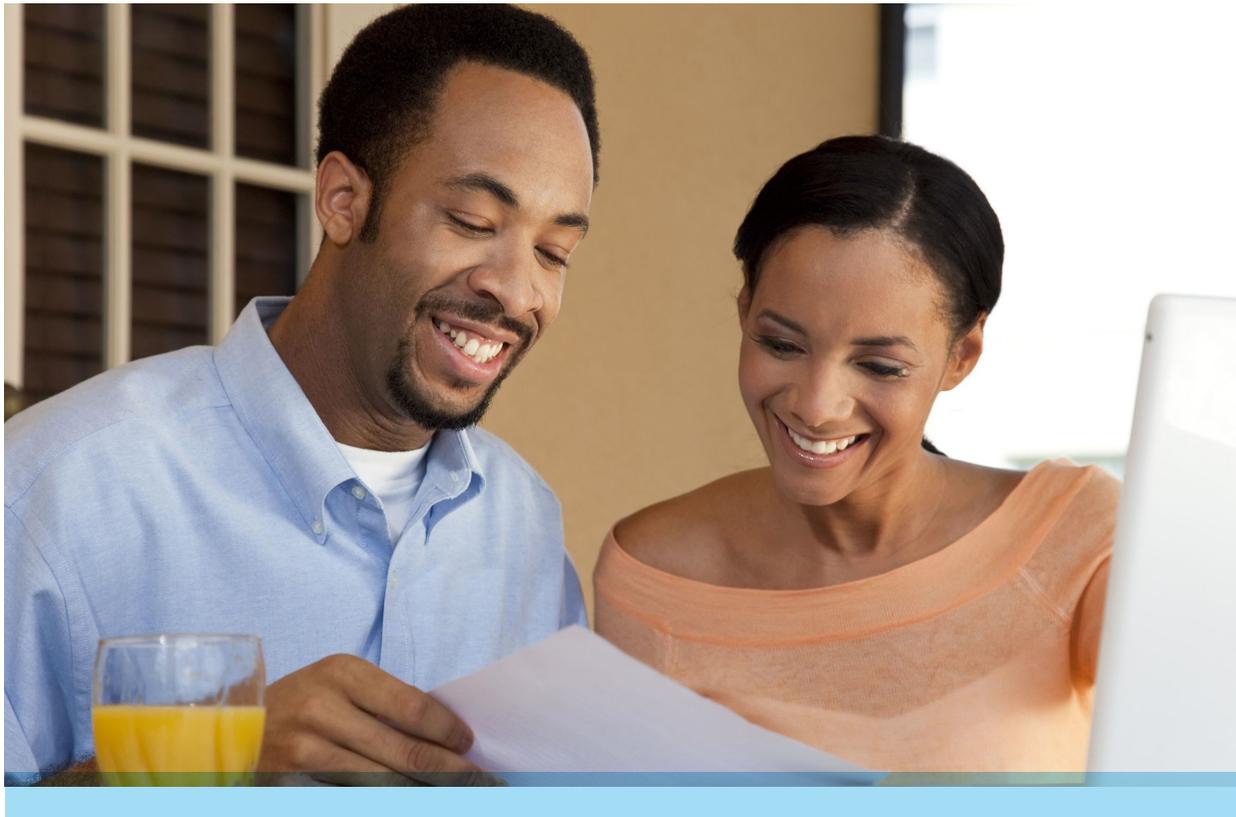
Part E: ENROLLMENT APPLICATION – This section will provide your customized enrollment application, including demographics, disclosures, and agreements. When you have reviewed your application, please click **SUBMIT APPLICATION** to complete the registration process and to activate your HSA.

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 healthcare expenses
- A Welcome Kit from UMB, which includes your HSA account number, checkbook, and important banking information

***Before activating your HSA, please read these important details:**

- 1) Funds in your HSA are held at the FDIC-insured UMB.
- 2) The cost to maintain your HSA is \$2.00 per month, which is automatically withdrawn from your account per month.



How to Fund Your New HSA



Now that you've activated your HSA, you can begin contributing funds to it.

Here's how:

- **Online transfer from BCBSRI.com to your HSA:**

- Go to BCBSRI.com and log in
- Click YOUR HSA in the left hand tool bar
- Click MY HSA and then FUND MY HSA

Within this tool you will be able to process transfers to and from your HSA. Please note before initiating transfers you must first add the personal account you want to debit by clicking "BANK ACCOUNT."

- **Online transfers from your personal bank account to your HSA:** Go to your personal bank's online banking portal and transfer your preferred amounts into your HSA. You'll need your HSA bank account and routing numbers, which will be mailed to you when you activate your HSA.

- **Manually deposit funds into your HSA:** You can also mail manual deposit checks from your personal bank account to your HSA. When mailing a check, please make it payable to UMB Bank and send it along with the proper direct deposit form to:

UMB Bank Contributions
PO Box 874264
Kansas City, MO 64187-4264

You can find a direct deposit form in your BCBSRI HSA Member Portal under the **EDUCATION RESOURCES tab – MY PLAN'S FORMS AND DOCUMENTS.**

2017 IRS annual contribution maximums:

- Individual plans: \$3,400
- Family plans: \$6,750
- If you are 55 years or older, you can contribute an additional \$1,000.

Already have an HSA? Here's what to do.

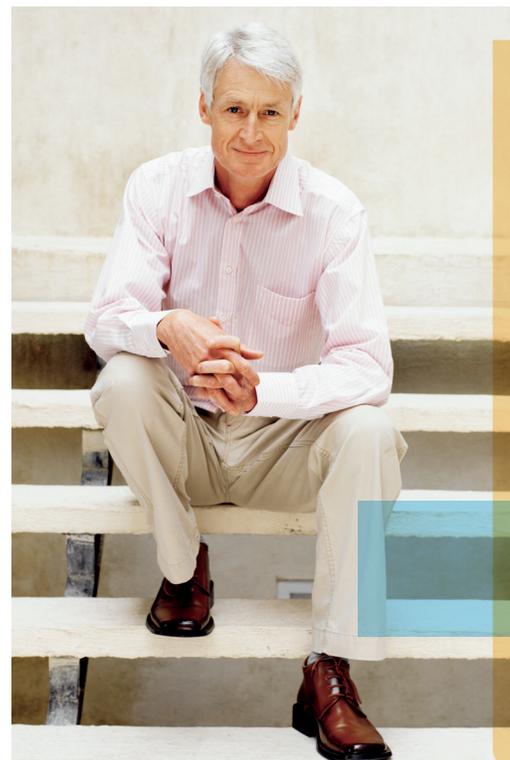
Option A – Transfer the money in your existing HSA to your UMB HSA:

To transfer your existing HSA money from your existing bank to UMB, all you need to do is complete the UMB Rollover Form and return it to London Health. You can find the Rollover Form on the BCBSRI HSA Member Portal under the **EDUCATION RESOURCES** tab – **MY PLAN'S FORMS AND DOCUMENTS.** Then close your old HSA by following your bank's process.

You can continue to use your old HSA until the end of the year.

Option B – Maintain your existing HSA:

You can keep your existing account open as well as funding the new account.



How to Pay Your Medical Expenses

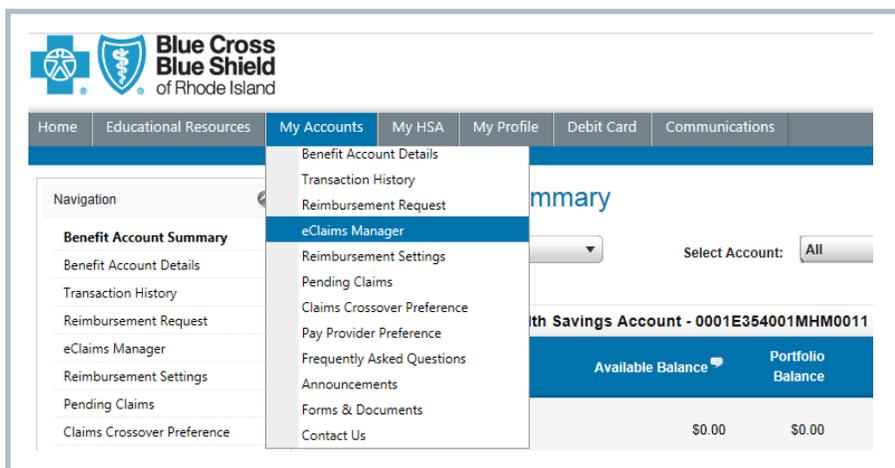
When you do have a medical expense, first verify your deductible and the amount that you owe. Then you'll have four convenient options for paying with money from your HSA:

1 Debit card

- If you're charged at your provider's office, you can use your HSA debit card to pay the bill right there.
- If the bill is mailed to you, you can call the provider to process your debit card payment over the phone, or you can write your debit card number on the medical bill and mail it back to the provider.

2 Online bill pay

- Go to **BCBSRI.com** and log in.
- Click **YOUR HSA** in the left tool bar.
- Click **MY ACCOUNTS** and then **eCLAIMS MANAGER** in the drop-down box.



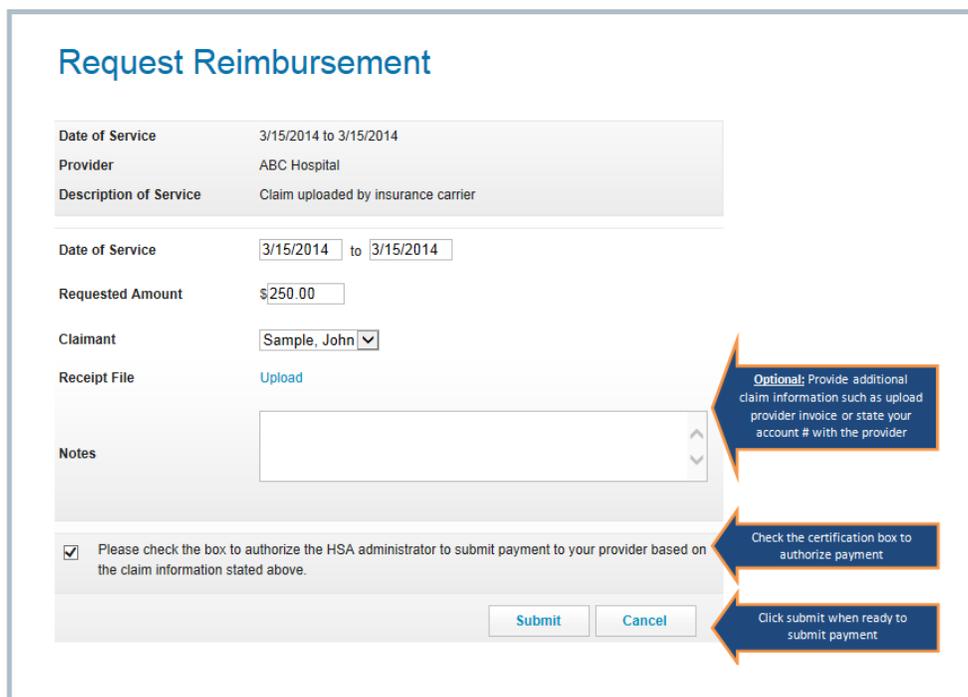
The eClaims Manager will display your claims, which have been automatically uploaded by BCBSRI. Use the icons to find out each claim's status, get more details on specific claims, and more.

Legend: View additional claim details, Edit claim information, Delete Claim, Displays status of claim (i.e. paid, already paid by debit card swipe, etc.), Pay Claim

Action	Date of Service	Provider	Description	My Responsibility	Paid non-Reimbursable	Reimbursed From My Accounts	My Remaining Responsibility
	3/15/2014	ABC Hospital	Claim uploaded by insuran...	\$250.00	\$0.00	\$0.00	\$250.00
	2/15/2014	Dr. Smith Associates	Claim uploaded by insuran...	\$500.00	\$0.00	\$0.00	\$500.00
	1/15/2014	City Medical Testing	Claim uploaded by insuran...	\$300.00	\$0.00	\$0.00	\$300.00



When you are ready to pay, just click the  symbol and you will be directed to the online bill pay option:



Request Reimbursement

Date of Service: 3/15/2014 to 3/15/2014
 Provider: ABC Hospital
 Description of Service: Claim uploaded by insurance carrier

Date of Service: 3/15/2014 to 3/15/2014
 Requested Amount: \$250.00
 Claimant: Sample, John
 Receipt File: Upload
 Notes: [Text area]

Please check the box to authorize the HSA administrator to submit payment to your provider based on the claim information stated above.

Submit Cancel

Optional: Provide additional claim information such as upload provider invoice or state your account # with the provider

Check the certification box to authorize payment

Click submit when ready to submit payment

It's just like any other online payment system. You can pay the amount of the claim in full or put in the dollar amount you want to pay toward the bill, enter notes if you choose to, and then click "SUBMIT!"

The funds are pulled from your HSA, and your payment is sent directly to your provider. It's that easy.

3 HSA check

- If you're charged at your provider's office, you can write a check from your HSA.
- If the bill is mailed to you, you can write a check from your HSA and mail it to your provider.
- Please note, you will have to order a checkbook from UMB if you would like to utilize this payment option. The cost of the checkbook is \$11.25. To order your HSA checkbook, please log into BCBSRI.com and select YOUR HSA; Select the MY HSA tab, and then click on the "HSA FORMS AND DOCUMENTS" link under the left hand navigation. Complete the UMB HSA Signature Card and mail it to the address on the form. You will receive your checkbook within 7-10 business days. You will see a debit to your HSA for the purchase on your monthly statement.

4 Online transfers

- Pay your provider with personal funds (e.g., cash).
- Transfer funds from your HSA to your personal bank account using the MAKE A PAYMENT feature to reimburse yourself for the amount paid with personal funds (transfer initiated within your personal bank's portal).

Compare healthcare costs

Use the My Cost Calculator tool to compare costs between providers in your area. This will help you maximize your HSA money. This tool is located in the **BCBSRI.com** member portal.



Eligible and Ineligible HSA Expenses*

You can use your HSA dollars for qualified medical expenses for you and your dependents. Below is a sample of eligible and ineligible medical expenses:

Eligible medical expenses		
Acupuncture	Durable medical equipment	Ob/gyn services
Ambulance	Eyeglasses	Pediatrician
Birth control	Eye surgery	Physician services
Braces	Hearing aids	Prescription drugs
Cancer treatment	Hospital services	Psychiatric care
Chemical dependency	Insulin treatment	Psychologist
Child birth/delivery	Laboratory fees	Smoking cessation programs
Chiropractors	Long-term care	Surgeon fees
Contact lenses	Machine tests	Transplants
Copays	Medicare Part D premiums	Transportation for healthcare
Deductibles	Mental health	Vision expenses
Dental expenses	Neurologist	Weight Loss program
Dermatologist fees	Nursing homes	X-Ray fees
Diagnostic tests	Optometrist	

Ineligible Expenses		
Cosmetic Surgery	Health Club Dues	Teeth Whiteners
Deodorant	Medicated Shampoo & Soap	Tissues
Electrolysis Hair Removal	Mouthwash	Toiletries
Funeral Expenses	Multivitamins	

* This list is for illustrative purposes. Please see IRS Publication 502 for a more detailed and accurate listing of qualified healthcare expenses.

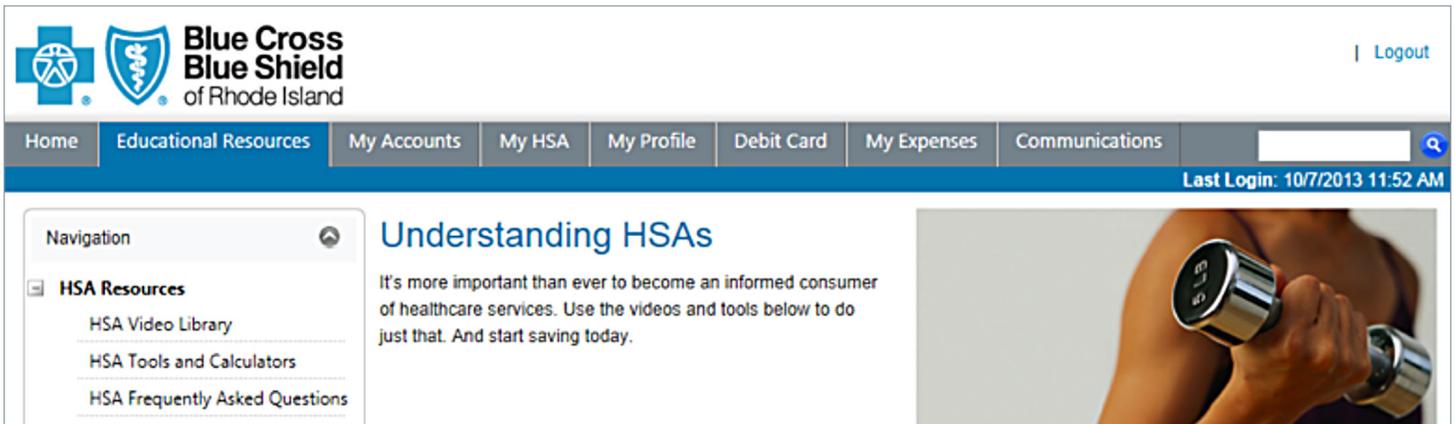
Online Portal Instructions and Features



BCBSRI's HSA Member Portal provides easy-to-use tools to help you manage your HSA funds and maximize your BlueSolutions for HSA Direct health plan. Below are instructions to log in to your HSA portal and find key features of the website.

Step 1 – Go to **BCBSRI.com** and log in to your member home page.

Step 2 – Click **YOUR HSA** in the left tool bar. You will then be directed to your BCBSRI HSA Member Portal.



HSA Member Portal tools and resources:

- **EDUCATIONAL RESOURCES:** Includes HSA videos, tools and calculators, FAQs, and HSA IRS limits.
- **MY ACCOUNTS:** Lists data associated with account and payment activity, including transaction history, pending claims, reimbursement requests, and more.
Please note, the account "UMB" represents your HSA account with UMB.
- **MY HSA:** Provides account management and banking features and tools, including your HSA summary, transaction activity, contribution summary, HSA funding, statements, and investment summary.
- **MY PROFILE:** Displays your demographic information and mobile app registration instructions.
- **DEBIT CARD:** Verify your debit card status and numbers within the DEBIT CARD tab.
- **MY EXPENSES:** Track medical, dental, vision, and prescription expenses.
- **COMMUNICATIONS:** View announcements, communication preferences, and contact information.



How to Use Your Mobile App

The HSA mobile app (coming soon) will allow you to manage your HSA on the go. The mobile app can be downloaded within Apple and Android marketplaces. Below you'll learn how to download and set up the HSA mobile application. You can also read about its valuable features. (Please note, you can manage only your HSA from the mobile app, not your health plan benefits.)

Download the mobile app:

Step 1 – Key in “**Blue Cross & Blue Shield of Rhode Island BlueSolutions Spending On the Go**” within the search engine of your Apple or Android smartphone.

Step 2 – When you locate the application, click the icon and select **INSTALL**.

Step 3 – Once installed, click the “**BCBSRI BlueSolutions Spending On the Go**” app icon on your smartphone's home screen.

- First-time users will have to create a **USERNAME** and **PASSWORD**. When you click on the app icon and the log-in screen comes up, click **SIGN UP**.
- Complete the registration page shown below:

Registration form fields:

- User Name: [input field]
- Password: [input field]
- Confirm Password: [input field]
- First Name: [input field]
- Last Name: [input field]
- Email Address: [input field]
- Employee ID: [input field]
- Registration ID: [dropdown menu: Employer ID]
- Accept Terms of Use: [checkbox]
- View Terms of Use: [checkbox]
- Buttons: Register, Cancel

Your HSA EMPLOYEE ID is your SUBSCRIBER ID number, which you'll find on your BCBSRI member ID card.

Example: ZBF123456789

Even though you are not enrolled in an employer-based plan, you will need an **EMPLOYER ID** number, which you'll find by following these directions:

- Within your HSA portal, click **COMMUNICATIONS** tab.
- Click **ANNOUNCEMENTS**.
- Click **ANNOUNCEMENT** titled “**EMPLOYER ID.**”

Example = LHBABJ1234

Summary of the mobile app features

- **ACCOUNTS:** Posts data such as account details, account balance, and recent transactions.
Please note, the account “UMB” represents your HSA bank account with UMB Bank.
- **ALERTS:** View messages and updates to your account, such as password changes and claim submission updates.
- **CONTACT US:** Access BCBSRI's customer service contact information here.
- **MORE:** Access additional information, including ABOUT US, PRIVACY & SECURITY, AND CLEAR SAVED ID.

- When finished, click **REGISTER**.
- After you have successfully registered, you will be asked to set up additional security information. When completed you will be directed to your mobile app.



Frequently Asked Questions



The below list of frequently asked questions will help you better understand how your HSA works. For additional assistance, please call BCBSRI Customer Service at (401) 459-5000 or email us at BCBSRIservice@BCBSRI.com.

Q. Can I have double coverage and still contribute to an HSA?

A. No. The primary account holder can only be covered by the HSA-qualified health plan (BlueSolutions for HSA Direct) to be able to contribute to the HSA.

Q. Who in my family is allowed to use my HSA funds?

A. You can only use your HSA funds for eligible expenses incurred by you, your spouse, and dependents you declare on your tax returns.

Q. Can I change my contribution during the year?

A. Yes. You control how often you contribute and change your contribution during the year. To change your contribution, log in to your HSA member portal.

Q. What are the maximums I can contribute per year?

A. In 2017, individuals can contribute up to \$3,400 and families can contribute up to \$6,750. If you are 55 or older, you can contribute an additional \$1,000.

Q. What happens to my unused HSA funds at the end of the plan year?

A. Any unused HSA funds roll over year to year.

Q. When can contributions be made in a tax year?

A. You can begin contributing to your HSA the first day your HSA-qualified health plan is effective through your specific federal income tax return due date, which is April 15, 2018 for most taxpayers. Please remember that you cannot contribute above the 2017 annual maximums.

Q. Do I have to file tax forms with the IRS?

A. Yes. When filing your tax returns you will have to provide Form 8889, which reports your contributions and distributions made during the year. This form will be provided by UMB Bank.

Q. Are there any penalties when using my HSA funds?

A. Yes. If you use your HSA funds for non-qualified health-care expenses, you will have to pay a 20% penalty tax. This 20% penalty is waived after you turn 65 years of age.

Q. Can I use my debit card at the ATM?

A. No.

Q. What happens to my HSA funds if I retire or I am no longer covered by an HSA-qualified health plan?

A. If you retire and are covered by Medicare or if you are actively working but are no longer covered by an HSA-qualified health plan, you will not be able to contribute to your HSA funds. Any funds accumulated prior to the plan switch will remain yours for proper use, however you will not be able to put new tax-free funds into the HSA.

Q. Can I transfer funds from my IRA or 401(k)?

A. You can only roll over funds into an HSA from an IRA, not a 401(k).

Q. After I turn 65, can I withdraw funds from my HSA penalty-free?

A. Yes. After age 65 you can withdraw funds from your HSA for non-medical items without a penalty. You will still have to pay normal taxes on the non-medical purchases. You will never have to pay taxes on distributions for qualified medical expenses, no matter your age.

If you have additional questions about your health plan or your HSA, please call the Customer Service number on the back of your member ID card.

Have questions about your health plan or HSA?

Call our Customer Service Department at the number printed on the back of your BCBSRI member ID card or 1-800-639-2227.

We're available Monday through Friday, 8:00 a.m. to 8:00 p.m. (EST) and Saturday and Sunday, 8:00 a.m. to 12:00 p.m. (EST).

Or talk to your employer about your benefits.



500 Exchange Street • Providence, RI 02903-2699

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