

HSA Frequently Asked Questions

Q: What is a Health Savings Account (HSA)?

A: An HSA is an account that allows you to pay for health expenses. With an HSA, you have the ability to both pay immediate medical expenses and to save funds to cover future expenses.

Q: Why would I need a HSA?

A: An HSA allows you to have better control over your health care funds, which may become more important to you as the costs of health care and insurance continue to rise.

Q: Am I eligible to open an HSA?

A: To be eligible for a HSA, your health insurance coverage must be a High Deductible Health Plan (HDHP), you can't be covered by another non-HDHP insurance plan (not including specific injury insurance and accident, disability, dental care, vision care, or long-term care), you must not be enrolled in Medicare, and you can't be a dependent on another individual's tax return.

Q: What is a High Deductible Health Plan (HDHP)?

A: The High Deductible Health Plan label is not just used for plans with high deductibles. An HDHP simply meets IRS guidelines for minimum deductibles and maximum out-of-pocket expenses. An HDHP which qualifies for a HSA may have no deductible for preventive care, but higher co-pays and out-of-pocket requirements for other services.

Q: How much can I contribute to a HSA?

A: Annually, the IRS sets limits on maximum annual contributions. Individuals age 55 and over may also contribute a catch-up contribution, which is also indexed annually.

Q: Will I lose my HSA funds at the end of the year?

A: No, any funds left in your HSA at the end of the year will roll over to the next year.

Q: Can I earn dividends on my HSA?

A: Yes, the funds in your HSA will earn dividends tax-free.

Q: Who has control over the money in my HSA?

A: The account holder of an HSA has complete control over the funds. However, it is important to remember that these accounts may be audited by the IRS to ensure they are being used for eligible medical expenses.

Q: Can I use online access to move funds into my HSA from my other 3Rivers accounts?

A: Yes, you are able to make online transfers to your HSA from your other 3Rivers accounts. However, these transactions will only count toward the current year's contributions. If you want to make a contribution toward the prior year, there is a form that must be filled out. Visit a branch or call Member Services at 1.800.825.3641 (select option 1).

Q: What are the IRS approved medical expenses?

A: In general, you can use your tax-advantaged HSA dollars on medical, dental (including braces for your children) and vision expenses, chiropractic visits, and even acupuncture. You cannot use them on your insurance premium, unless you are unemployed and collecting federal unemployment benefits.

Q: How do I submit a change of address or beneficiary?

A: Contact 3Rivers at 1.800.825.3641, option 1, to receive the HSA information change form. Completed forms can be faxed or mailed to 3Rivers.
3Rivers Federal Credit Union
P.O. Box 2573 | Fort Wayne, IN 46801
FAX: 260.489.0230

Q: Can I use my HSA for anything other than medical expenses?

A: You have total control over the funds you invest in your HSA. Keep in mind, however, that if you use these non-taxed funds for non-medical uses, you may be required to pay income tax along with a 20% penalty for a non-medical withdrawal prior to age 65.