

HSA Guide

An overview of your Health Savings Account



► Sentinel Benefits
& FINANCIAL GROUP

Welcome to Your HSA

Your HSA, combined with an HSA-eligible health plan helps you meet your current health care needs while saving for future expenses down the road. An HSA allows you to make contributions, take distributions for qualified medical expenses, and potentially grow your savings. And, if used for eligible health care expenses, it's all tax-free.

Your Online Account

A good starting point in using your health savings account is to set up your online account. Go to sentinelgroup.com and hover over ACCOUNT ACCESS in the upper right corner. Select "FlexChoice" in the "For You" category of the dropdown menu. Once you are on the Login web page, click "Create your new username and password." Enter the required information and press "Next."

Your online account enables you to:

- ▶ Update your personal information
- ▶ View your HSA balance
- ▶ Review your recent distributions
- ▶ Manage how your HSA is invested
- ▶ Manage beneficiary information
- ▶ Report a lost/stolen card and request a new one

Home

The Home page is easy to navigate:

- ▶ Easily access the **Available Balance** and **I Want To...** sections from the left-hand navigation area.
- ▶ The **I Want To...** section contains the most frequently used features, including making a transaction and managing investments.
- ▶ In the left-hand column **Available Balance** links to the Account Summary page, where you can see and manage your accounts.
- ▶ The **Message Center** section displays alerts and relevant links that enable you to stay in the know.
- ▶ The **Quick View** section graphically displays some of your key account information.

Accounts

For all account activity, click on the **Available Balance** link from the home page to bring you to the Account Summary page, or click on Accounts on the top navigation bar. Then you may click **Account Activity** for transaction details or **Investments** to review your investment account.

Profile

From your **Profile** page, you can do the following:

- ▶ Update your personal information
- ▶ Add dependents
- ▶ Manage beneficiaries
- ▶ Set up your reimbursement preference
- ▶ Manage your Benny Card
- ▶ Change your login information

Statements & Notifications

From the Statements & Notifications page, you can view the following:

- ▶ Account statements
- ▶ Direct deposit confirmations

Tools & Support

Visit the Tools & Support page to:

- ▶ Access plan forms
- ▶ View detailed benefit plan information
- ▶ View helpful tips and quick links

Expense Tracker

The Expense Tracker provides you with an easy-to-use consolidated view of healthcare expenses for ongoing management of medical claims, premiums, and Benny Card transactions. From here you may:

- ▶ Add and view expenses
- ▶ Process payments/reimbursements for unpaid expenses
- ▶ Link your health insurance claims to your HSA

Funding Your HSA

After your Sentinel HSA has been established, you, your employer, or any other person may contribute to your account. Regardless of who is making these contributions on your behalf, it is important to note that the total of these contributions cannot exceed your maximum annual contribution amount.

Option 1

Pre-Tax Contributions Through Payroll Deduction

Your employer may have set up an option to allow you to contribute to your HSA through pre-tax deductions. You are allowed to make payroll deduction changes at any time during the year; however, keep in mind that total contributions to your account may not exceed your maximum annual contribution amount.

Option 2

After-Tax Contributions

If you are not eligible for pre-tax payroll deductions, you can simply make after-tax contributions to your Sentinel HSA by check. After-tax contributions are tax deductible to the extent that total contributions to your account do not exceed your maximum annual contribution amount. Generally, you may make after-tax contributions until your federal tax-filing deadline (not including extensions), which is usually April 15th of the following year. To transfer funds electronically from your bank account to your HSA, choose **Make HSA Transaction** from the **I Want To...** menu. If you would like to make a contribution to your HSA by submitting a check directly to your account, download the HSA Contribution Request form from your online account.

Did you know? If you are between the ages of 55 and 65, you are eligible to contribute an additional \$1,000 per year to your HSA.

Choosing Your HSA Investments

The Sentinel HSA is a simple way to create a smart HSA investment strategy. Your initial funds will be allocated to the HSA default fund, the HCB Interest Bearing Account. Once your account balance exceeds \$2,000, you may allocate HSA funds to other investment options. We offer a choice of select investments options providing a broad range of investment strategies. Any earnings on your HSA investments are automatically reinvested and grow tax free.

To manage your investments, choose **Manage Investments** from the **I Want To...** menu. In order to set up your funds in excess of \$2,000 to move into the investment options you've set up, you must first define an investment sweep amount. You may do this by choosing **Accounts** and selecting **Investments**. Select **Setup Investment Transfers**, check the **Define Investment Sweep Amount** checkbox and set your amount. Hit **Save** and after that point any contributions in excess of your threshold will sweep into your preselected investment options.



Accessing Your Funds

Distributions from your HSA to pay for qualified medical expenses for you, your spouse and your dependents are tax-free. Depending on the type of expense, you can use your Sentinel Benny Card to seamlessly utilize your HSA funds. If you choose to pay out of pocket, or you are using your HSA for non-medical (and non-tax free) items, you can simply submit a request for distribution to Sentinel from your online HSA.

Option 1

Sentinel's HSA Debit Card

The transaction will automatically reduce your HSA balance. Even better, you will not need to pay out-of-pocket and wait to be reimbursed.

How do I activate the card upon receipt?

The Benny Card can be activated by calling the number located on the sticker on the front of the card when it is first received. Even though you will receive two cards, you only have to call once to activate both.

Why did I receive two cards?

You are issued two cards so you can choose to make the second card available for a spouse or dependent. Both cards come in your name, but since the Benny Card is signature-based, your spouse or dependent just needs to sign the back of the card and it is their card to use.

How do I request new or additional cards and/or report a missing card?

From the **Home** page, under Profile, click the Banking/Cards link on the left-hand side of the screen. Under the Debit Cards column, click Report Lost/Stolen or Order Replacement and follow the instructions.

Option 2

Request an HSA Distribution Online

If you utilize your HSA without using your HSA debit card, you may request a distribution online via Sentinel's secure website. You can immediately verify that your request has been received by Sentinel. In addition, you can upload any files (receipts, EOB, etc.) using our upload tool. Uploaded files will automatically attach to the request that you have entered and will be saved for future retrieval, if necessary.

How do I do it?

1. Log into your account at sentinelgroup.com
2. Select **Make HSA Transaction** from the **I Want To...** menu
3. Follow the online instructions
4. Attach or submit receipts (optional)

Can I submit a distribution request or make a contribution from my phone or other mobile device?

Yes! Included in the functionality of our mobile application is the ability for you to file new distribution requests and transfer money from your bank account to your HSA from your phone or other mobile device.



Expense Tracker

To view and manage all expense activity in one place, use the Expense Tracker. On the **Home** page, choose **Expense Tracker** from the top menu. The Expense Tracker provides you with an easy-to-use consolidated view of expenses for ongoing management of expenses, claims, and card transactions. Easily filter expenses by clicking on the filter options on the navigation pane on the left side of the screen or by clicking on the field headers within the Expense Tracker. You can search for specific expenses using the search field on the bottom left side of the screen. Expenses can be exported into an Excel spreadsheet by clicking on the **Export Expenses** button on the upper left side of the page.

Why should I use the Expense Tracker?

The Expense Tracker allows you to import and store expenses that can potentially be reimbursed through your plan. It serves as a “virtual shoebox” to store expense information and receipts that can be referenced in the future, either for your own tracking or for submission as a claim.

How do I add an expense to the Expense Tracker?

1. From the **Expense Tracker**, click on the **Add Expense** button on the upper left side of the page.
2. Complete the expense detail fields. You can even upload a copy of the receipt and add notes for your records.
3. Once the expense has been added to the Expense Tracker, you can pay the expense, if desired.

Can I request payment for an expense from the Expense Tracker?

You may process payments/distributions for unpaid expenses directly from the **Expense Tracker** page. Expenses will be categorized and payment can be initiated for unpaid expenses by clicking on the button to the right of the expense details.

1. Simply choose which expenses you would like paid and you will be presented with the eligible accounts from which you can initiate payment.
2. When you click **Pay**, the claim details from the Expense Tracker will be pre-populated. Review and edit the distribution details as needed.

How do I edit an existing expense in the Expense Tracker?

You can edit expenses directly from the **Expense Tracker** page.

1. Expand the claim details by clicking on the expense line item from the Expense Tracker.
2. You will be presented with options to add expense notes, update the expense details, mark the expense as paid/unpaid, or remove the expense from the Dashboard.

How do I link my healthcare claims?

The **Link Healthcare Claims** option allows you to receive claim data from your healthcare insurance carriers. Expenses from your insurance carriers will be added to the Expense Tracker for tracking and/or payment purposes. To register, click on the **Link Healthcare Claims** button located in the upper left side of the Expense Tracker page and provide the required information. You will be alerted to new expenses within the message area of your online account.



Managing Your Investments

To review your investment portfolio, update your investment elections, view investment returns, or transfer between funds, visit **Manage Investments** from the **I Want To...** menu.

Investment Account Information – Shows current balance by investment, fund and performance information, transaction history details, and a summary of your investment account.

My HSA Performance – Provides information about how your account is performing, including your personal rate of return, investment breakdown, and your balance history.

Manage My Investment Account – Allows you to update your investment elections, realign your investment balances, transfer between funds, and review pending and processed requests.



Investment Name	Links	Current %	New %
HCB INTEREST BEARING ACCOUNT		0%	0%
VANGUARD SH TERM BOND IDX ADM		0%	0%
VANGUARD TOT BOND MKRT IDX ADM		0%	0%
VANGUARD 500 INDEX ADMIRAL		20%	0%
VANGUARD MID CAP INDEX ADM		20%	0%
VANGUARD SMALL CAP INDEX ADM		20%	0%
VANGUARD TOT INTL STK IDX ADM		20%	0%
VANGUARD EMG MKTS STK IDX ADM		20%	0%
PRUDENTIAL TOTAL RET BOND Z		0%	0%
HARTFORD CORE EQUITY FUND A		0%	0%
PRUDENTIAL JENNISON GROWTH Z		0%	0%
HARTFORD INTL OPPORTUNITIES A		0%	0%
PRUDENTIAL BALANCED FUND Z		0%	0%

Submit Election Change Request

Investment Guidance Help - Clicking on this link will take you to a separate page where you can develop a personalized HSA investment strategy for your HSA investment account, based on your own unique circumstances.

HSA Calculators – Provides access to several account projection and financial calculators.

Annual Tax Reporting

Each calendar year, there are three required tax filings associated with your HSA. Sentinel will generate IRS forms 1099-SA and 5498-SA on your behalf as an HSA account holder. You are responsible for filing the IRS Form 8889 when you file your annual taxes.

IRS Form 1099-SA

The 1099-SA is mailed on or before January 31st of each year. This form is provided to you directly, and the necessary information must be reported on your 1040. The 1099-SA will show all of your HSA distributions for the previous calendar year.

IRS Form 5498-SA

Sentinel files Form 5498-SA annually with the IRS and you will receive a copy online. The Form 5498-SA is simply a notification to the IRS that you or your beneficiary have made contributions or rollovers to your HSA for the previous calendar year. It does not impact your annual tax filing with the IRS. This form is filed on or before May 31st of each year.

IRS Form 8889

IRS Form 8889 is used to report HSA contributions, disbursements and your tax deductions. You will complete this form using the 1099-SA and 5498-SA Sentinel will provide to you as applicable each year.

What You Need to Know About HSAs

Annual Contributions

The amount you can contribute to your HSA is subject to your enrollment in a qualified high-deductible health plan. The IRS limits for maximum HSA contributions are also subject to change each year.

Looking to rollover an existing HSA balance to your Sentinel HSA?

You may transfer funds from your existing HSA to your Sentinel HSA without any tax implications and without impacting your annual HSA contribution limit. Sentinel does not charge an additional fee for accepting your HSA rollover. To get started, download the HSA Rollover Request form, located in the “Forms” section of your online account from the “Tools & Support” menu.

Sentinel will coordinate the transfer of your HSA once your completed rollover form is submitted.

Portability

Your HSA is still your account even if you:

- ▶ Change jobs or become unemployed
- ▶ Change your medical coverage
- ▶ Move to another state
- ▶ Change your marital status

Unused Funds

HSAs are not subject to the use-it-or-lose-it rule. Funds remain in your account from year to year. You may use your HSA funds for any reason, but only qualified medical expenses are able to be withdrawn tax-free and without being subject to a 20% additional excise tax.

Medicare Matters

Once you are enrolled in Medicare, you are no longer eligible to make contributions to your HSA. You can use the funds in your HSA to pay Medicare premiums, deductibles, co-pays and co-insurance under any part of Medicare. You cannot use your HSA to pay for Medicare supplement insurance or “Medigap” policies.

