

The Top Ten Things to Know About the TRI-AD HSA

TOP
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1 Your HSA is an individually owned account, and UMB is the custodian.

HSAs are individually owned bank accounts. Because TRI-AD is not a bank, we have a relationship with UMB Healthcare Services to act as the account custodian. We share information with UMB to make the process as seamless as possible. You access your account directly when you log into TRI-AD's website.

2 Your account is subject to the banking "know your customer" requirements.

Federal law requires banks to put every account holder through the "Customer Identification Process," or CIP. When we are opening your account, we will notify you repeatedly if there is a CIP issue preventing us from doing so. You'll also see an alert upon login to the website. Your Benefits Card will not be able to access your HSA funds until your account has satisfied CIP requirements and been opened.

The money taken from your paychecks is held in suspense until you clear CIP and your account is opened. If you ignore the alerts and emails requesting information, we will eventually send the money back to your employer to refund it through payroll. You'll be taxed at regular income tax rates on any returned amount.

3 You have different ways to access your HSA funds. The choice is yours.

The most common way to access your HSA is to pay at the point of service or pay a bill with the Benefits Card. If you need to order cards for dependents, log into the site and click on your name or Employee ID at the very top to access your profile. Add your dependent and request a card for them.

On the website and mobile app, use HSA Bill Pay/Withdrawal. If you withdraw money and have a bank account linked, the money will be deposited directly into your bank account. If you do not have direct deposit established, you will see an alert prompting you to do so once you log in, and your withdrawals will be sent to you via check. Any provider bill pay transactions are always paid via check.

There is usually a one- to two-day processing time between submission of a bill pay/withdrawal and when it becomes visible on the site. Check payments usually take a couple of business days to process, plus an additional three to five days in the mail.

4 All deposits go into the cash account. You invest them from there.

All of your deposits go into the cash account. They can take a couple of days from the time payroll runs to post to your account. You can invest them manually, or set up a recurring transaction to sweep the money out of your cash account directly into the investments once you have more than \$1,001 in your account (see investment availability below).

If you want to make additional HSA deposits, log in, download the Contribution Form from the Forms Library, and follow the instructions. Because you would use after-tax dollars, you would then take a deduction on your taxes. Be mindful of the annual contribution limits when making deposits.

5 You need to keep enough money in the cash account to cover your transactions.

All payments are taken from the cash account. It's up to you to make sure that your cash account has enough in it to cover activity. If you try to swipe your card for more than your cash account balance, the transaction will be denied. Likewise, the online/mobile app tools won't let you withdraw more or pay a provider more than you have in cash.

If you need to liquidate investments to fund your cash account, it's easy to do online. However, it takes a business day to process and appear in the cash account.



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6 Investment availability and fees depend on your balance.

You can start investing once you have \$1,001 in your cash account. If you have less than \$3,000 in cash, and you have money in investments, your account is charged an investment fee of \$2.50 per month. In addition, the mutual funds may have different fees associated with them. A list of the available funds is linked to the HSA Resources page, and full prospectuses are available on the investing page of the site. For more on how to invest, see the “How to Invest Your HSA Funds” flyer on the HSA Resources page.

7 HSAs are not subject to the same documentation requirements as FSAs – but save your receipts.

TRI-AD will not ask for proof that your expense was eligible under IRS guidelines. However, if the IRS audits you, they will likely ask for documentation. Keep your receipts and EOB's with your tax documents.

8 You will have some tax reporting requirements if you participate in an HSA.

The IRS requires that you file Form 8889 if you've contributed to or taken deductions from your HSA. At the end of January, TRI-AD will provide you with a 1099SA (if you had any distributions from your HSA) which reports all HSA distributions. Pretax contributions made to your HSA through payroll will be reported on your W2. If you've made post-tax contributions to your HSA outside of payroll, you'll need to report those on your taxes, as well. TRI-AD will provide you an informational Form 5498SA in May which reports all contributions made to your HSA (including any post-tax contributions made outside of payroll). Please speak with your tax advisor if you have any questions about how to report your HSA on your taxes.

9 If you want to transfer another HSA to TRI-AD, use the trustee-to-trustee transfer.

If you have a prior HSA, use the “Transfer to UMB Trustee” Form, available in the Forms and Documents Resources page on the TRI-AD site. Complete the form and return it to UMB. They will work with your prior account custodian to get the assets transferred and the old account closed.

10 If you terminate employment, your account converts to an individual account.

Upon termination of employment, your account will convert to an individual account. As an individual account, a monthly administrative fee of \$2.75 applies. This fee will be taken out of your account. If you move to another employer with an HSA, you can roll the money over to the new trustee. In this case, you use the new trustee's form, and they work with UMB to transfer the assets and close the UMB account.

Contact Information

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