



To: Teller County Employees
From: Jeff Ahrendsen
Re: 2011 and 2012 HSA Comments

The health care reform act (Patient Protection and Affordable Care Act) did very little to change the HSA guidelines as we know them.

I wanted to get a memo out to HSA holders to briefly recap those guidelines and discuss the (relatively) minor changes made by the Act.

First of all, nothing has changed with the basic rules regarding Health Savings Accounts.

To recap:

1. All charges will still go toward a deductible, whether single or family, before the insurance company will pay its appropriate percentage of the charges.
2. Deductibles are calendar year, meaning the deductible will start again January 1st. If you have met your deductible, you may want to refill any prescription drugs before December 31st.
3. It's NOT TOO LATE to contribute up to the maximum allowable amount to your Health Savings Account for 2011. Those contribution limits are:
Single: \$3050
Single plus dependents: \$6150
+55 catch-up: \$1000 per spouse over 55 years old
4. The 2012 contribution limits will be \$3100 single, \$6250 family with the same \$1000 catch-up if 55 or older per spouse.
5. The only significant change that began on January 1, 2011, is that a physician's written prescription will be required for any over the counter medications that you are using Health Savings Account money to pay for. That continues in 2012.

The only other change in health care reform is that the penalty for any nonqualified expenses that are run through a Health Savings Account will increase from 10% to 20%.

6. As always, your Health Savings Account dollars can be used to pay for medical, dental or vision expenses that you might incur. Please remember to keep records and explanations of benefits for all of your expenses that you pay for with Health Savings Account dollars.

Please call us with any questions or comments you may have regarding your Health Savings Account program.

Have a wonderful Holiday Season!

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