



Aetna Health Savings Account (HSA)

Invest in healthcare for when you need it.

This plan offers a way to invest in your health care that focuses on managing your long-term costs. The High Deductible Health Plan (HDHP) and Health Savings Account (HSA) offer the lowest payroll deductions among the endowed medical plans. Learn more by reading this [overview](#) (pdf).

[accordion]

About the Plan

The High Deductible Health Plan and Health Savings Account (HSA) option is a comprehensive health care plan with two components:

- 1) An underlying Aetna high deductible insurance plan
- 2) A Health Savings Account (HSA) you can use the account to pay your health care costs. Or pay those costs out of your own pocket and let your account grow by earning interest.

A Health Savings Account is similar to the Weill Cornell Medicine PPO (WCM-PPO) and Cornell Program for Healthy Living (CPHL) plans. You are encouraged to use a nationwide panel of preferred providers that Aetna maintains. Using in-network providers will result in lower health care costs than using providers who are out of network. However, the HSA has some important differences:

- You must have a social security number, required due to the bank account feature.
- These plans are similar to PPO models, but they introduce a high deductible up front before the cost-sharing begins. This hybrid model is required by the law that Congress passed creating these plans with an embedded tax advantage several years ago.
- You control how your HSA money is spent. Any unused funds stay in your account and can be used for future medical expenses.
- Cornell contributes \$1,000 up front per year if you enroll during open enrollment; otherwise, Cornell's contribution is pro-rated if you join the plan after January 1.
- Money can be placed in your HSA on a pretax basis or may be contributed from your taxable income and later deducted on your Form 1040 tax filing.
- If you're enrolled in family coverage, unlike the other endowed health plans, you must meet the total family deductible (even if it is only one person accruing expenses to the deductible) before the plan begins to reimburse.
- You cannot be enrolled in Medicare (Parts A, B, C or D) to participate.
- You can cover dependents up to age 26 on the Aetna Health Savings Account. But if the dependent does not meet the IRS tax dependent criteria and you use the savings account to cover their medical expenses, you will pay a penalty.

Please refer to your tax advisor for more information and learn more by reading the plan [overview](#) (pdf).

HSA Annual Deductible

For 2019

Type of coverage	In-Network	Out-of-Network
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Individual	\$1,500	\$3,000
Family	\$3,000	\$6,000

HSA Contributions

For 2019

Coverage Type	Your Contribution	Cornell's Contribution	Total Contribution Limit
Individual	Up to \$2,500	\$1,000	\$3,500
Family	Up to \$6,000	\$1,000	\$7,000

**Please note: For enrollments outside of the November annual open enrollment period, Cornell's \$1,000 contribution is pro-rated based on the enrollment effective date.*

If you are age 55 or older, you can contribute an additional \$1000.

Rates for Aetna HSA

2019 Rates

Coverage Type	Hourly/Non-exempt	Salary/Exempt
Individual	\$12.00	\$13.00
Individual + child(ren)	\$98.77	\$107.00
Individual + Spouse/Domestic Partner	\$106.62	\$115.50
Individual + Spouse/Domestic Partner + child(ren)	\$127.38	\$138.00
Individual + Spouse/Domestic Partner working at Cornell (dual eligibility) + child(ren)	\$66.57	\$72.12

Note: The dual eligibility category is available to an endowed staff or faculty member with dependent children whose spouse or domestic partner is also a benefits-eligible staff or faculty member paid from endowed funds at Cornell University

Previous 2018 Rates

Coverage Type	Hourly/Non-exempt	Salary/Exempt
Individual	\$11.54	\$12.50
Individual + child(ren)	\$95.08	\$103.00

Coverage Type	Hourly/Non-exempt	Salary/Exempt
Individual + Spouse/Domestic Partner	\$102.46	\$111.00
Individual + Spouse/Domestic Partner + child(ren)	\$122.77	\$133.00
Individual + Spouse/Domestic Partner working at Cornell (dual eligibility) + child(ren)	\$63.69	\$69.00

Forms

- [HSA Enrollment Form 2019](#) (pdf)
- [Special Dependent Enrollment Form](#) (pdf)
- [Endowed Supporting Documentation](#) (pdf)
- [Aetna Claim Form](#) (available on [Aetna's Find a Form site](#))
- [Release of Protected Health Information Form](#) (pdf)
- [Statement of Domestic Partnership - Endowed](#)
- [Statement of Termination of Domestic Partnership - Endowed](#)

Tools and Resources

Using your Health Savings Account:

[PayFlex login](#)

[PayFlex Mobile App](#)

[Print a Claim Form](#) (pdf)

[Find In-Network Doctor](#) *Save money by staying in-network!*

[2018 Preventive Drug List](#) *Special coverage for drugs that help protect against or manage a medical condition*

- [2019 Preventive Drug List](#)

[PayFlex HSA Debit Card](#) (pdf) *How to use your PayFlex card*

[HSA Investments Quick Reference Guide](#) (pdf) *Instructions on how to manage your HSA investments*

Learn about how a Health Savings Account works

[H S A Overview](#) (pdf) *From Cornell Benefit Services: overview of HSA program tailored for Cornell employees.*

[H S A Saving Money](#) (pdf) *From Payflex: introduction to how an HSA works financially, including link to an online advisor to understand pre-tax benefits and how much to contribute.*

[Investing with your PayFlex HSA](#) (pdf) *From Payflex: introduction to how investing with an HSA works*

[For Your Protection-Customer Identification Process](#) (CIP) (pdf) *PayFlex is required by law to confirm your name, home address, date of birth, and social security number to enroll in a health savings account.*

[Special Instructions for Dual Spouse/Domestic Partners enrolling in an HSA](#) (pdf) *Endowed staff or faculty with dependent children, whose spouse or domestic partner is also an endowed employee at Cornell need to read these*

important instructions.

The fine print - Financial Details:

[HSA Custodial Agreement](#) (pdf) *Details the agreement with PayFlex as to the management of HSA funds*

[HSA Fee Schedule](#) (pdf) *Explanation of fees that may apply to your HSA account*

The fine print - Plan Coverage Details:

[Aetna Effective Dates & Deduction Dates](#) *details about when coverage begins or ends, and when payments are deducted from your paycheck if you enroll or make a change to your plan.*

H S A Summary Plan Description (SPD) (pdf)

[Addendum](#) (pdf) *Lists updates to the plan booklet*

[Schedule of Benefits](#) (pdf) *An overview chart of coverage and explanation of terminology*

[Booklet \(pdf\)](#) *Consult this booklet for detailed information regarding plan coverage*

[Summary of Benefits and Coverage 2019](#) (SBC) (pdf) *A standardized overview of what the HSA plan covers, per government regulations*

[Summary of Benefits and Coverage 2018](#) (SBC) (pdf) *A standardized overview of what the HSA plan covers, per government regulations*

Programs and Discounts

- [Personal Health Record](#) (pdf)
- [Breastfeeding Supplies](#) (pdf)
- [Aetna International for Business Travel](#)
- [Bilingual and Translation](#) (pdf)
- [Aetna Hearing Discount](#) (pdf)
- [Aetna Vision Discount](#) (pdf)

Frequently Asked Questions

How much can I deposit in my account?

You are allowed to deposit up to \$3,450 for singles or \$6,900 for families into your tax-free 2018 Health Savings Account to earn interest and put toward future medical expenses. Cornell contributes \$1,000 up front towards your limit if you enroll during the annual November open enrollment period; otherwise, the amount is pro-rated if you join the plan after January 1.

What can you use HSA funds for?

The funds in your HSA account belong to you. They can be withdrawn at any time and for any reason. But if funds are withdrawn for any purpose other than a qualified medical expense, by someone under the age of 65, the amount withdrawn is taxable and subject to a 10% penalty. There is no penalty for non-qualified withdrawals after age 65 although the amounts are taxable.

You can use the account to pay for your health insurance deductible and any qualified medical expenses including those not covered by the high-deductible include like dental and vision care. You can pay with your PayFlex debit card (this draws money from your HSA account) or pay out of pocket instead. But you must pay for services until the deductible is met.

Note: Qualified medical expenses that were incurred before the date your HSA is established, cannot be reimbursed from the account.

What medical expenses are qualified?

Examples of qualified medical expenses include medical fees and deductibles at doctors' offices, pharmacies, dentists, vision centers, medical labs and much more — including many treatments and medical supplies that traditional healthcare plans do not cover. Visit Aetna Navigator, for general information about qualified and non-qualified medical expenses. Or you can choose to go directly to the PayFlex website. Use the Medical Expense Tracker to help organize them online. Make sure you keep your receipts so you can document for the IRS the appropriate use of these funds.

Qualified medical expenses are described in detail in Section 213(d) of the Internal Revenue Service Tax Code and IRS Publication 502. You must be sure that you have not been otherwise compensated or reimbursed by insurance for the treatment. For help from the IRS, call 1-800-829-3676 or visit the IRS website.

How does a typical doctor office visit work?

When you go to your in-network doctor for a sick visit (beyond preventive care), your share of the cost is based on a negotiated rate. Your doctor's office will send the claim to Aetna for payment.

However, given the nature of your health plan, some offices may require you to pay for some or all of the cost at the time of your visit. If you have a sufficient balance in your HSA fund, you can use your PayFlex debit card to cover the costs of the treatment. Or, your doctor may be willing to send you a bill after Aetna adjudicates the claim. In any case, you will need to pay your share of the bill.

After the deductible is met, you pay only the part of the cost each time you visit the doctor or medical provider. Once you have met the annual out of pocket maximum, the plan reimburses at 100% for the rest of the calendar year. Aetna provides online tools through Aetna Navigator to keep track of what you have paid. PayFlex administers the health savings account.

Once you meet the deductible, you pay for only part of the cost each time you visit a doctor or hospital. For in-network services, the plan reimburses at 90% and you pay 10% for medical care that is not preventive (for out of network services you pay more). Once the amount you have paid reaches the out of pocket maximum for the calendar year, the plan reimburses at 100%. (Medical care received out of network are subject to reasonable and customary charges so you could pay more).

How do I access the funds in my health savings account?

With PayFlex, you have three ways to access your HSA funds:

1. PayFlex debit card. Use it for qualified expenses. Pay directly with a debit card linked to your HSA.
2. Online withdrawal. Transfer funds from your HSA to your personal bank account.
3. Online bill payment. Pay your healthcare expenses on your computer, directly from your HSA.

You decide when the medical claim is processed, whether or not to pay the provider, send money to your personal account or hold the HSA claim for a later decision.

Is the preventive medical care subject to the deductible?

Preventive care is usually covered in full or subject to a copay and it does not count toward your deductible. Services may include: routine exams and shots, wellness exams for children and women, routine mammograms.

What are the IRS rules governing health savings accounts?

- You are prohibited from enrolling in Cornell's medical flexible spending account in the same year. But, you can use your health savings account for qualified medical expenses just as you would using your flexible spending account. Any monies left over at the end of the year are carried over into the next year.
- You must remain covered under the HSA plan for at least 12 months after the last day of the plan year in which you enrolled in the HSA plan (if you have submitted a full year's maximum in less than a full year). Otherwise, any contributions made to the HSA for the months before the month you enrolled in the plan will be included in your gross income and subject to an additional tax of 10%.
- You can not enroll in the HSA plan if you have a medical flexible spending account balance on December 31.

- If you are covered under a comprehensive major medical individual insurance policy or a spouse's/domestic partner's employer health plan, you will not be eligible to join the HSA Plan.
- You may not participate in an HSA-based plan once you are eligible for and participating in Medicare.
- Cornell will place employer contributions and payroll-deduct your health savings account contributions only to the approved HSA Plan.
- If you leave Cornell's employment, you may continue funding your health savings account only as long as you continue to use available high-deductible health plans at successor employers.

This plan has been largely designed by federal authorities and any aspect of the plan may change in the future with little notice. Because the HSA is regulated by the IRS, there will be additional steps in your tax preparations. Please consult a professional. The information provided by Cornell does not constitute legal advice.

Why Do I have to Use a High Deductible Health Insurance Plan?

All HSAs are required by law to combine the savings account with high deductible health insurance.

How is the contribution limit determined?

Contribution amounts are set by the IRS each year.

When you pay medical expenses from your HSA account, how does Aetna know when you have paid your deductible?

If you use an in-network provider, the doctor's office will file your claim with Aetna for you. This will ensure you receive the discounted PPO price. You could also save the bills and submit them to Aetna yourself.

What happens if there isn't enough money in my HSA when I need to pay for qualified medical expenses?

If you use your PayFlex debit card to pay for qualified medical expenses and there is not enough money in the account to cover the cost, your transaction will be denied and you may incur a fee.

Are prescription drugs covered under the Aetna HSA?

Yes, the HSA includes coverage for prescription drugs through OptumRx as part of your HSA Plan. Drugs that are considered preventive by OptumRx and the IRS are not subject to the deductible. You pay the copay. The copay is applied to the out pocket maximum. Drugs that are not preventive in nature are applied to the deductible.

What happens if I enroll in the HSA any time after January 1? This typically applies to new employees.

If you enroll after January 1, Cornell's contribution will be pro-rated based on the number of pay periods remaining in the year and deposited in your PayFlex account. Example: If you enroll mid-year with 13 pays remaining out of 24 for the year, the amount Cornell contributes up front will look like the following:

$\$1000/24 \text{ pays} = \$41.66 \text{ regular contribution}$

$\$41.66 \times 13 \text{ pays remaining} = \541.58

Cornell's prorated calendar year contribution would be \$541.58

You can also make contributions. They work differently and are not prorated. But the total amount you wish to contribute is spread out of the remaining pay periods.

What else do I need to know if enrolling outside of the annual Open Enrollment period?

If you enroll outside of the annual open enrollment, according to the IRS, you are required to remain in the plan for the next year, if you submitted a full years maximum contribution in less than a full year. If you do NOT stay in the plan for the full year, the amount you contributed is considered taxable income during the next year, with an additional 10% tax penalty. We recommend that you consult your tax advisor regarding your specific situation.

Example: You enroll effective July 1, 2017 and submit the maximum \$2,400 for 2017, which excludes Cornell's contribution. In 2017, you leave the plan sometime before 12/31/17. \$1,200 of your 2017 contribution is considered taxable income *and*

has the additional 10% penalty applied. ($\$2,400/12 = \200 per month x 6 months = \$1,200)

Does Aetna/PayFlex withdraw my HSA funds or keep track of them?

No. It is your responsibility to keep track of your own medical expenses. Individual contributions and taxable distributions should be reported on your Form 1040 tax filing.

FAQs for 65+ Participants

What happens to the money in my Health Savings Account (HSA) if I leave retire or change jobs?

You can take the money in the HSA account wherever you go. You own the HSA.

If you retire at age 65 or older, you are no longer eligible to remain in an active health plan like the HSA and will be moved to the Aetna Retiree 80/20 plan, provided you meet the eligibility requirements to retire from Cornell. You will be required to enroll in both Medicare Parts A & B. You will also be given the option to enroll in the Medicare Advantage Plan, as will your spouse/domestic partner over the age of 65. If your dependent is under 65, they will be moved to the Retiree Pre-Medicare Plan.

You can continue to use HSA funds to reimburse yourself for qualified medical expenses until the fund is exhausted.

Can I use HSA money to pay for Medicare expenses?

You can use HSA contributions to pay for Medicare Parts A and B, Medicare Advantage, and Medicare Part D prescription drugs, as well as out of pocket expenses and employment-based retirement health benefit premiums including those through Cornell.

What happens at age 65 when I'm working in a benefits eligible position?

Cornell contributes \$1,000 (employer contribution) in January of the year you turn 65 if you remain enrolled in the HSA. This assumes you are continuing your enrollment in the HSA from the previous year or you enrolled during the open enrollment period.

You will remain covered in the Aetna HSA for the medical portion of the plan - the high deductible health plan. Turning age 65 is not a qualifying event to change health plans. You have to wait until the next open enrollment period held in the fall. (Note: If you retire at 65 or older, you are no longer eligible to remain in an active health plan like the HSA and will be moved to the Aetna Retiree 80/20 plan provided you meet the eligibility requirements to retire from Cornell. You will be required to enroll in both Medicare Parts A & B).

If you decide to start collecting Social Security income or otherwise enroll in Medicare when you become eligible, keep in mind to avoid IRS penalties for the months you are no longer eligible to contribute to the health savings account, you should contribute a maximum contribution pro-rated based on the number of months you will be eligible before your Medicare coverage begins, and whether you are enrolled in an individual or a family plan. The employer contribution does not need to be included in this calculation.

Example - Single Plan: If you are hired January 1, 2017 and turn 65 in July 2017 and are enrolled in Medicare effective July 1, 2017, then you can contribute a maximum of \$1,200 ($\$2,400$ employee maximum/12 = $\$200$ x 6 months = \$1,200. The \$2,400 does not include Cornell's \$1,000 contribution).

Example - Family Plan: If you are hired January 1, 2017 and turn 65 in July 2017 and are enrolled in Medicare effective July 1, 2017, then you can contribute a maximum of \$2,875.02. ($\$5,750$ employee maximum/12 = $\$479.17$ x 6 months = \$2,875.02. The \$5,750 does not include Cornell's \$1,000 contribution).

Regardless of whether you decide to collect Social Security income or otherwise enroll in Medicare, you can continue to use the HSA funds to reimburse yourself for qualified medical expenses until the fund is exhausted. Please refer to your tax professional.

Can I still make contributions to my HSA if I turn 65 this year and continue working in a benefits eligible position?

It depends. The IRS allows you to continue to make and receive contributions to the HSA provided you do not apply for Social Security, you do not begin receiving income benefits and you do not enroll in Medicare.

If you apply for Social Security and begin receiving income benefits, you will be automatically enrolled in Medicare Part A and be ineligible for the HSA plan in accordance with the IRS regulations, starting with the month your income benefit is effective. You will no longer be able to make or receive contributions to your HSA effective the first day of the month in which you turn 65. For example, if you turn age 65 on May 23, you can no longer contribute or receive contributions (your own or Cornell's) starting May 1. In addition, it is your responsibility to:

- Go into Workday and stop your HSA contributions as soon as you become ineligible.
- Inform Benefit Services as soon as you become ineligible.
- If you decide not to collect Social Security income (including enrolling in Medicare), you can continue making and receiving contributions to your HSA.

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