



Health Savings Account (HSA)
2020 Payroll Deduction Authorization

Employee Name (please print): \_\_\_\_\_ Employee ID: \_\_\_\_\_

HSA contributions of \$ \_\_\_\_\_ per pay period (24 x per year) through pre-tax payroll deductions.

High Deductible Health Plan effective: \_\_\_\_\_

Your Health Savings Account (HSA) funds payment of qualified health care expenses (See IRS Publication 502). To enroll and contribute to this HSA you must meet these criteria:

- You must be enrolled in the City's qualified high deductible health plan (HDHP).
You cannot be covered by another health plan, including Medicare.
You cannot simultaneously enroll in a Flexible Spending Account (FSA) plan.
You cannot be claimed as a dependent on another individual's tax return.

This form authorizes pre-tax payroll contributions to your HSA. You may also directly fund your HSA from other sources. The amount of all sources of contributions cannot exceed IRS maximums for the calendar year. For 2020, the maximum an individual can contribute is \$3,550 and the maximum a family can contribute is \$7,100. (If you are over the age of 55, you may contribute an extra \$1,000 for catch-up contributions.)

To change and/or revoke the amount of this payroll deduction, you may complete a new Deduction Authorization and submit it to the Benefits Division. Your payroll contributions will be transmitted two times a month to Optum Bank to fund your HSA account.

Your Optum HSA is an interest bearing checking account. Your HSA account belongs to you and is your financial asset even if you terminate City employment. All HSA administrative fees will be paid out of your account funds.

You will be required to file an IRS Form 8889 with your annual tax return if you have any activity in your HSA during a calendar year. It is your responsibility to maintain all account records necessary for IRS audit purposes. If you utilize HSA funds for participating spouse or dependents, all criteria apply for those dependents as well. The City is not responsible for monitoring your eligibility for participation in an HSA plan. You may want to consult a tax professional for additional guidelines.

I authorize the City of Escondido to reduce my pay before taxes for the amount indicated above. I understand the City is not responsible for monitoring my maximum annual HSA contributions, my eligibility to contribute to this account, or the eligibility of any medical expenses reimbursed by this account.

Employee Signature

Date

FOR H.R. USE ONLY

Payroll Deductions to begin pay period ending \_\_\_\_\_