



We would like to thank you for the opportunity to serve you. We are excited that you have elected to participate in a Health Net HSA-compatible Health plan.<sup>1</sup> For your convenience, we have included the link to enroll your group in The HSA for Life<sup>®</sup> Health Savings Account program from Bank of America Merrill Lynch.

## The HSA for Life<sup>®</sup>

### *Benefits for you*

#### **Tax advantages**

- No payroll taxes on employee HSA contributions made through payroll deductions.
- Federal income tax deduction for contributions you make to your employees' HSAs.

### *An attractive benefit*

- An employer-sponsored HSA is part of a competitive benefits package that can help you attract and retain employees.
- The HSA for Life<sup>®</sup> is a low-cost benefit to add. There are no employer set-up fees, no minimum deposit amount or participation level to open the HSA, and a low monthly fee of only \$3.50 per account per month.

### *Easy set-up*

HSA set-up wizard and concierge services make it easy to set up your HSA program and enroll employees.

### *Easy administration*

The online portal offers easy account administration and tools for engaging your employees.

An effective communication and education strategy is a critical component of a successful HSA program. We provide you with a Communications Toolkit that contains materials for educating employees on the benefits.

### *Benefits for your employees*

#### **Triple tax advantage<sup>2</sup>**

An HSA offers unique tax advantages that help employees keep more of their hard-earned money by providing the potential for:

- **Pre-tax contributions:** Contributions to an HSA can be made with pre-tax dollars, which means every dollar employees contribute to their HSA is a dollar saved (employers can offer a payroll deduction<sup>3</sup> option to help employees make contributions on a pre-tax basis).
- **Tax-free gains:** Any gains on the money in an HSA are tax-free, so employees keep 100% of any money their HSA savings or investments earn, boosting the amount of money they have to cover their out-of-pocket medical costs.
- **Tax-free withdrawals:** Employees won't pay taxes on money they withdraw for qualified medical expenses.

Kim Aung  
Health Net

#### **Questions –**

Email questions

to [hsaforlife@](mailto:hsaforlife@)

[bankofamerica.com](http://bankofamerica.com).

(continued)

### **Control**

Employees decide:

- How much money to save in their account (up to the IRS contribution limit).
- Which qualified medical expenses to pay with their HSA.<sup>4</sup>
- How to invest their money.

### **Bank of America advantage**

Easy ways to pay and track spending:

- Free HSA Visa® debit card with no transaction fee.<sup>5</sup>
- Secure online portal.
- Mobile app.<sup>6</sup>
- Access to a range of mutual funds with no additional account or transactional fees.<sup>7</sup>
- Dedicated support of the customer care center.

### **No “use it or lose it” rules**

Any unused balance is carried over from one year to the next.

### **HSA for Life**

Money in an HSA belongs to the employee, even if he or she changes insurance plans or jobs.

### *Let's get started*

Let's get started with your enrollment. It's easy. Before you begin, you will need the following to set up your group's HSA:

- Employer tax identification (TIN/EIN number).

- HSA start date.
- Total number of employees.
- Bank routing number and account number for billing and employer funding.
- Group primary contact information.

Once you have collected the above items, click on one of the links below to begin the enrollment. The enrollment process will take about 10 minutes.

[Click here](#) if you are going to pay the monthly HSA administration fee for your employees, or go to <https://healthbenefits.bankofamerica.com/EmployerSetup.aspx?code=BHN76DBF4>.

[Click here](#) if your employees are going to pay the monthly administration fees, or go to <https://healthbenefits.bankofamerica.com/EmployerSetup.aspx?code=BHN0C3652>.

Your group will be set up within 5 business days. Once your group is established, you will be able to add enrollment and funding. An HSA implementation specialist will be reaching out to you to ensure your account set-up goes smoothly.

*(continued)*

<sup>1</sup>In California, Health Net HSA-compatible health insurance plans are underwritten by Health Net Life Insurance Company. In Oregon and Washington, Health Net HSA-compatible health plans are underwritten by Health Net Health Plan of Oregon, Inc. Health Net Life Insurance Company and Health Net Health Plan of Oregon, Inc. are subsidiaries of Health Net, Inc. Health Net is a registered service mark of Health Net, Inc. Health Net, Inc. and its subsidiaries are not affiliated with Bank of America N.A., the Health Savings Account custodian.

<sup>2</sup>About Triple Tax Advantages: Participants can receive tax-free distributions from their HSA to pay or be reimbursed for qualified medical expenses they incur after they establish the HSA. If they receive distributions, the amount withdrawn will be subject to income tax and may be subject to an additional 20% tax. Any interest or earnings on the assets in the account are tax-free. Participants may be able to claim a tax deduction for contributions made to the HSA. Bank of America recommends that applicants and employers contact qualified tax or legal counsel before establishing an HSA.

<sup>3</sup>In order to offer payroll deductions, an employer's cafeteria plan must comply with Internal Revenue Code Section 125.

<sup>4</sup>The Internal Revenue Service publishes a list of qualified expenses in Publication 502, Medical and Dental Expenses, available at [www.irs.gov](http://www.irs.gov).

<sup>5</sup>This HSA debit card program is issued by Bank of America, N.A. Visa is a registered trademark of Visa International Service Association and is used by the issuer pursuant to license from Visa U.S.A. Inc.

<sup>6</sup>Data connection required. Wireless carrier fees may apply. Mobile app is not available on all devices.

<sup>7</sup>Mutual fund investments services for the Bank of America HSA are provided by Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"), a registered broker-dealer, Member SIPC and a wholly owned subsidiary of Bank of America Corp. (BofA Corp.). Investments in mutual funds are held in an omnibus account at MLPF&S in the name of Bank of America, N.A. ("BANA") for the benefit of all HSA account owners. Investment advisory services for the HSA are provided by BANA by Devenir Investment Advisers, LLC., a registered investment adviser. Devenir is not affiliated with BofA Corp.

Are not FDIC insured	Are not bank guaranteed	May lose value
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