



MASSACHUSETTS

# Health Savings Account (HSA) Transfer Guide



**Information to consider when deciding whether to transfer your HealthEquity HSA to a Blue Cross Blue Shield of MA HSA**

**How to transfer your HealthEquity HSA to a Blue Cross Blue Shield of MA HSA**

This guide is intended for associates remaining in a Blue Cross high-deductible health plan (Blue Care Elect Saver Plans) in 2017. The purpose is to help you decide whether to transfer your HealthEquity HSA to a Blue Cross Blue Shield of MA HSA, and how to make that transfer. **If you are not in a Blue Care Elect Saver Plan (Value or Choice) in 2016, this guide does not apply to you.**

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# Your New Blue Cross Blue Shield of MA HSA

In 2017, we're introducing our Blue Cross Blue Shield of MA Health Financial Accounts, including an HSA. Now, you'll be able to better access and manage your health care dollars, all in one place. We're committed to making the transition from HealthEquity to Blue Cross simple and efficient.

This guide provides information to consider as you decide whether to transfer your HealthEquity HSA to Blue Cross or keep your account with HealthEquity. You aren't obligated to move your HealthEquity HSA funds to your new Blue Cross Blue Shield of MA HSA.

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## Important information to keep in mind during the transition period:

- If you have elected the Blue Care Elect Saver - Choice Plan with HSA for 2017, your annual employer contribution (\$750 for individual coverage, \$1,500 for individual +1 or family coverage) will be deposited into your new Blue Cross Blue Shield of MA HSA in early January 2017.
- Your payroll contributions, if you decide to contribute your own money to your HSA, will be deposited into your new Blue Cross Blue Shield of MA HSA as soon as administratively feasible after January 12, 2017, which is the first payroll in 2017.
- You'll receive your new Blue Cross Blue Shield of MA Health Financial Accounts debit card and welcome materials in late December. Activate the card as soon as you receive it, and you can begin using the card once your funds are deposited in January.
- If your current HealthEquity debit card expires in 2016, you'll receive a new HealthEquity debit card in mid-November. To continue accessing your HealthEquity funds while the account is open, activate this card and use it.
- Update your debit card information with Express Scripts and other retailers that may have your current card on file.

## Have questions?

For questions about your HealthEquity HSA, call HealthEquity at **1-877-694-3938**.

For any questions during the transition period through December 31, 2016, call Employee Services at **1-800-238-6616**. Employee Services is available Monday through Wednesday and Friday, between 8:00 a.m. and 4:00 p.m. ET, and Thursday, between 9:00 a.m. and 5:00 p.m. ET.

Beginning on January 1, 2017, for questions about your Blue Cross Blue Shield of MA Health Financial Accounts, call **1-855-279-4176**. Member Service is available to assist Monday through Friday, between 8:00 a.m. and 8:00 p.m. ET.

# Comparing the Blue Cross Blue Shield of MA HSA and the HealthEquity HSA

You'll have the option of moving your existing HSA funds into your new Blue Cross Blue Shield of MA HSA or keeping those funds in a HealthEquity individual account, which is an account that is no longer associated with Blue Cross Blue Shield of Massachusetts. The chart below provides a comparison between the Blue Cross Blue Shield of MA HSA and individual HealthEquity HSA:

	Blue Cross Blue Shield of MA HSA	Individual HealthEquity HSA
<b>Contributions</b>	Annual employer contribution and contributions from payroll are deposited into this account	Annual employer contribution and contributions from payroll are no longer deposited into this account
<b>Claim Data Integration</b>	Integrated claim data to support easy payment for services	No claim data will be sent to HealthEquity in 2017
<b>HSA Interest Rate*</b>	Balances and rates: <ul style="list-style-type: none"> <li>• &lt; \$2,500 – .10%</li> <li>• \$2,500 – \$19,999 – .15%</li> <li>• &gt;\$20,000 – .25%</li> </ul>	Balances and rates: <ul style="list-style-type: none"> <li>• &lt; \$2,000 – .05%</li> <li>• \$2,000 – \$7,500 – .10%</li> <li>• \$7,500 – \$10,000 – .20%</li> <li>• &gt;\$10,000 – .40%</li> </ul>
<b>Investment Thresholds*</b>	<ul style="list-style-type: none"> <li>• Balances greater than \$1,000 can be invested</li> <li>• Monthly \$2.50 fee for investing if HSA balance is less than \$3,000</li> </ul>	Balances greater than \$1,000 can be invested with no monthly fee
<b>Account Maintenance Fee</b>	There is no fee as long as you remain in a high-deductible health plan	Beginning April 1, 2017, the account is subject to a \$3.95 monthly maintenance fee if the cash balance is less than \$2,500. Fee is waived if the balance exceeds \$2,500.
<b>Debit Card</b>	Blue Cross-branded single debit card for all accounts including limited purpose FSA	HealthEquity-branded debit card for HSA

\*Rates and investment thresholds are subject to change.

Please read this guide thoroughly to ensure you understand your options. You aren't obligated to move your HealthEquity HSA to the new Blue Cross Blue Shield of MA HSA.

# Transferring Your HealthEquity HSA in Four Easy Steps



## Complete the HSA Transfer Request form.

In early January, you'll receive an email with a link to the HSA Transfer Request form. The form will also be available on the **Benefits@Blue** website. Download and complete the form.

### When completing the form:

1. Include your new Blue Cross Blue Shield of MA HSA account number. This ensures your funds from HealthEquity are deposited into your new Blue Cross Blue Shield of MA HSA.
  - a. You'll receive a welcome letter in late December with login instructions to access your Blue Cross Blue Shield of MA HSA on **MyBlue**.
  - b. Your Blue Cross Blue Shield of MA HSA account number can be found on the home page of your Blue Cross Blue Shield of MA Health Financial Accounts portal. You can access your Blue Cross Blue Shield of MA HSA information starting on January 1, 2017.
2. Check the "Trustee to Trustee Transfer" option to ensure your funds are transferred directly to your new Blue Cross Blue Shield of MA HSA.
3. Review your form to ensure "HealthEquity" displays in the "Current Custodian Name" field. If not, write in "HealthEquity".
4. Decide if you want to transfer your entire HealthEquity HSA balance and close your account, or, transfer a portion of your HealthEquity HSA balance and keep the account. If you choose to keep your HealthEquity HSA, you may be responsible for any applicable fees including the \$3.95 monthly fee starting on April 1, 2017. Refer to section "Choosing to Keep Your HealthEquity HSA" for more information.



## Sign and submit your HSA Transfer Request form to Avidia Bank.

Sign and mail your HSA Transfer Request form to Avidia Bank at:

**Avidia Bank**  
**P.O. Box 370**  
**Hudson, MA 01749**

Please note that HealthEquity charges a \$25 account closure fee. Blue Cross will pay the \$25 account closure fee if Avidia Bank receives your HSA Transfer Request form by February 28, 2017. After February 28, 2017, you'll be charged the \$25 account closure fee.

Avidia Bank, our HSA custodian partner, is an independent financial institution that specializes in the management of HSA deposits.



## Liquidate your HealthEquity investments.

If you have investments through HealthEquity, and you want to close your HealthEquity HSA, you need to liquidate those investments within one week of submitting the HSA Transfer Request form. You can do this on the HealthEquity website using the Advisor tool. To access the Advisor tool:

1. Log in to your HealthEquity portal.
2. From the home page, go to the "Investment Desktop" under the "My Account" tab.
3. Click "Make a Trade".
4. Enter the full investment balance in the "Total Trade Amount" section.
5. Use the drop-down menu to select "Sell proportionate to your current holdings".
6. Click "Trade".
7. Allow 3 to 5 business days for investments to sell and funds to transfer to your Blue Cross Blue Shield of MA HSA cash balance.

HealthEquity won't process your request to close your account and transfer your HSA balance if you have active investments.

## Step 4

### Check your Blue Cross Blue Shield of MA HSA.

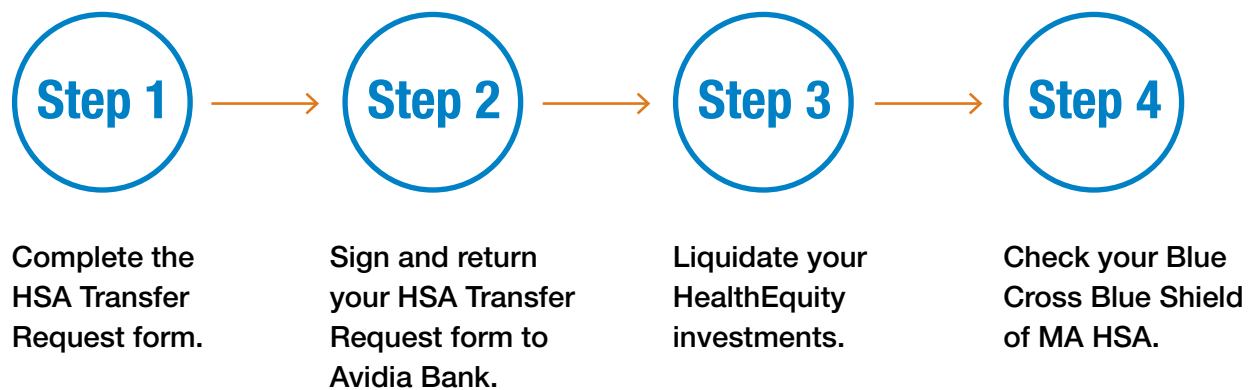
Your transferred funds should move to your account by February 20, 2017 if Avidia Bank receives your form by January 31, 2017, or by March 20, 2017 if Avidia Bank receives your form between February 1 and February 28, 2017. If you register your email address when you first access the "Blue Cross Health Financial Accounts" section of your portal, you'll receive notification of the transfer of funds into your Blue Cross Blue Shield of MA HSA.

Please review your account and contact Blue Cross Blue Shield of MA Health Financial Accounts at **1-855-279-4176** if you have any questions.

**Remember:** HealthEquity won't process your request to close and transfer your HSA balance if you have active investments. If you have active investments, the balance will show on the home page in the "Account Balance" section.

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### Transfer process at a glance





# Important Dates

## **January 1, 2017**

Your Blue Cross Blue Shield of MA HSA account is available

## **January 31, 2017**

First deadline to submit your HSA Transfer Request form to Avidia Bank to waive the \$25 HealthEquity account closure fee

## **February 9–February 20, 2017**

Blackout period if Avidia Bank receives your form by January 31, 2017

## **February 20, 2017**

HealthEquity transferred funds will be available if Avidia Bank receives your form by January 31, 2017

## **February 28, 2017**

Final deadline to submit your HSA Transfer Request form to Avidia Bank to waive the \$25 HealthEquity account closure fee

## **March 9–March 20, 2017**

Blackout period if Avidia Bank receives your form between February 1 and February 28, 2017

## **March 20, 2017**

HealthEquity transferred funds will be available if Avidia Bank receives your form between February 1 and February 28, 2017

## **April 1, 2017**

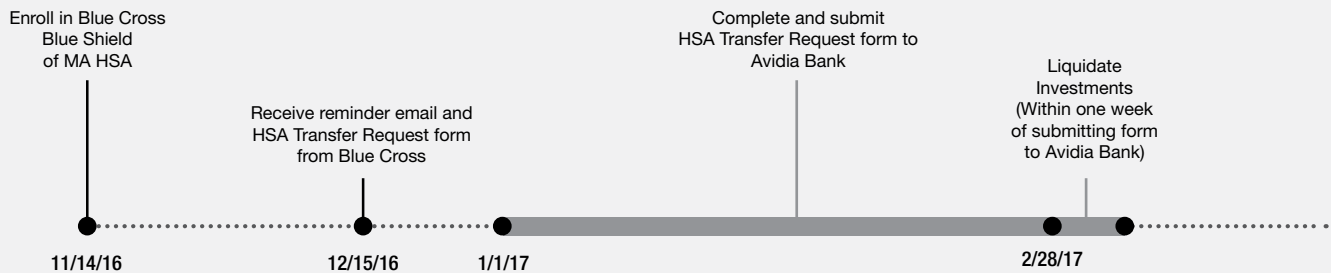
You're now responsible for any HealthEquity fees if you keep your HealthEquity account

# Transfer Timeline Scenarios

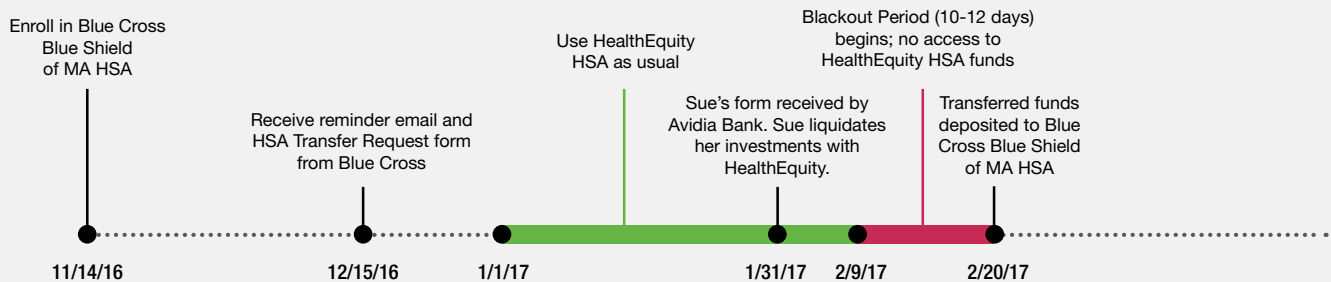
We're offering two deadlines to transfer your HealthEquity HSA to Blue Cross to avoid the \$25 account closing fee.

See the timeline scenarios below.

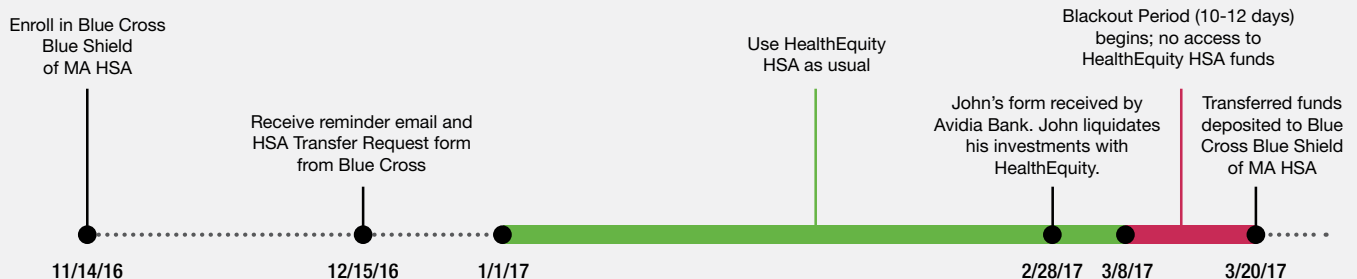
## Overall Timeline for Associates



## Avidia Bank receives Sue's transfer form by January 31, 2017



## Avidia Bank receives John's transfer form by February 28, 2017



# What to Expect During the Transfer Process

For approximately eight or nine days after the end of the month in which you submit the HSA Transfer Request form to Avidia Bank, you may use your HealthEquity account as usual.

- Continue to use your HealthEquity debit card to access the funds in your account.

**Note:** If your current HealthEquity HSA debit card expires in 2016, you'll receive a new debit card in mid-November. Activate this card and use it.

- Continue to access your HealthEquity portal to pay 2016 expenses. Claims for 2017 will appear on your "Blue Cross Blue Shield of MA Health Financial Accounts" section of your portal.

The blackout period for your account will begin approximately eight or nine days after the end of the month in which you submit your HSA Transfer Request form to Avidia Bank. The blackout period will run for ten to twelve days after that point.

- If Avidia Bank receives your HSA Transfer Request form between January 3, 2017 and January 31, 2017, your blackout period should begin around February 9, 2017. If Avidia Bank receives your HSA Transfer Request form between February 1, 2017 and February 28, 2017, your blackout period should begin around March 9, 2017.
- When your blackout period begins:
  - Your HealthEquity HSA closes.
  - The funds in your HealthEquity HSA aren't available for use. Your HealthEquity debit card will be deactivated.
  - You may continue to access your account information through the HealthEquity portal and mobile app to view historical transactions and tax statements.

During the blackout period:

- The funds transferred from your HealthEquity HSA will be deposited into your new Blue Cross Blue Shield of MA HSA. If you registered your email address in the "Blue Cross Blue Shield of MA Health Financial Accounts" section of your portal, you'll receive notification of the transfer deposit into your Blue Cross Blue Shield of MA HSA.
- You may continue to access your historical transactions and tax statements through the HealthEquity website.

If you choose to transfer your account from HealthEquity, be sure to take action by February 28, 2017 to avoid the \$25 account closure fee!

# Choosing to Keep Your HealthEquity HSA

## If you decide to keep your HealthEquity HSA:

- Your HealthEquity HSA will transition on January 1, 2017 from an employer-sponsored account to an individual account and will no longer be associated with Blue Cross Blue Shield of Massachusetts.
- Monthly fees may apply to the account as follows:
  - Beginning April 1, 2017, the account is subject to a \$3.95 monthly maintenance fee if the cash balance is less than \$2,500. The fee is waived if the balance exceeds \$2,500.
  - Account closure fee is \$25 (for HSA Transfer Request received by Avidia Bank after February 28, 2017).

**Note that the above fees are subject to change.**

- All HSA contributions through Blue Cross will be deposited into your new Blue Cross Blue Shield of MA HSA. This means if you choose not to close and transfer your HSA from HealthEquity to Blue Cross, you'll have two HSA accounts—one with HealthEquity and one with Blue Cross.
- Blue Cross claim data will no longer be sent to HealthEquity. That means that you'll no longer be able to view and pay qualified medical expenses on the HealthEquity website. Instead, you may manually enter claim information. For claims information, refer to your Explanation of Benefits or access **MyBlue**.



## Have questions?

Contact HealthEquity at **1-877-694-3938**.

# Frequently Asked Questions

## 1. What happens if I don't elect to transfer my HealthEquity HSA account at this time?

If you keep your HSA with HealthEquity and also choose to participate in the new Blue Cross Blue Shield of MA HSA, you'll have two active HSA accounts. All of your 2017 contributions through Blue Cross will be deposited into your new Blue Cross Blue Shield of MA HSA and no further employer or payroll deposits will be made to your HealthEquity account. You're able to continue using your HealthEquity account and debit card for as long as you keep the account active.

As of January 1, 2017, your HealthEquity HSA account will transition to an individual account and will no longer be associated with your employer, Blue Cross Blue Shield of Massachusetts. You'll be responsible for any account fees starting on April 1, 2017.

## 2. Can I transfer my HealthEquity account balance later?

Yes. At any time you can complete a HSA Transfer Request form and submit the form to Avidia Bank to initiate a transfer of your HealthEquity HSA balance to your Blue Cross Blue Shield of MA HSA. Note that the \$25 account closure fee is waived until February 28, 2017. After that date, you'll be responsible for the account closure fee.

## 3. What if I don't want to close my HealthEquity HSA?

You don't have to. If you keep your HSA with HealthEquity and also choose to participate in the HSA through Blue Cross, in 2017 you'll have two active accounts. You can continue to use either or both accounts.

## 4. What happens if I have a HealthEquity HSA investment account?

If you choose not to close your account and not to transfer your account balance to Blue Cross, nothing happens to your investment account at HealthEquity. You can continue to use your HealthEquity account as normal.

If you choose to close your account and transfer your HealthEquity account balance to Blue Cross, you must liquidate investments so that the value of those investments is converted to cash within one week of submitting your transfer form to Avidia Bank. HealthEquity won't close and transfer your account balance if you have active investments.

**5. If I choose to transfer my HealthEquity balance to my new Blue Cross Blue Shield of MA HSA, does that mean I can only use my HSA funds for expenses I've incurred since my new HSA was opened?**

No, an HSA that is funded by amounts from another HSA is considered established as of the date the prior account was established.

For example: Sue opened her HealthEquity HSA account on January 1, 2014. She transfers her balance to her new HSA with Blue Cross Blue Shield of Massachusetts on January 1, 2017. Her HSA is considered established as of January 1, 2014. This means she can use the funds in her Blue Cross Blue Shield of MA HSA for any qualified medical expenses she incurred and paid for out of pocket from January 1, 2014 forward.

**6. Does this transfer of funds count as a distribution from my HealthEquity account or a contribution to my Blue Cross account?**

No. The amount transferred directly from one HSA trustee or custodian to another trustee or custodian is not included in income, nor is it deducted or included as a contribution on Form 8889, the HSA tax form. In other words, it won't count toward your annual IRS contribution maximum for the year.

**7. Will I have access to any funds during the blackout period?**

If you decide to close your HealthEquity account and transfer the entire account balance to Avidia Bank, you won't be able to use your HealthEquity debit card or make transfers into or out of your HealthEquity account during the blackout period. In general, your HealthEquity HSA will be frozen eight to nine days after the end of the month in which Avidia Bank receives your completed form. At this point, the blackout period begins. The blackout period will be approximately 10-12 days. The blackout period is important because it stops any new transactions and allows outstanding transactions to be processed before HealthEquity determines your final account balance that will be transferred. The blackout period also allows time for the funds to be transferred and deposited into your Blue Cross Blue Shield of MA HSA. Remember, if you're enrolled in the Blue Care Elect Saver - Choice plan or you're making HSA contributions through payroll, then you'll have access to the funds in your Blue Cross Blue Shield of MA HSA once they have been deposited in January 2017.

**Remember:** If Avidia Bank receives your HSA Transfer Request form by January 31, 2017, your blackout period should begin around February 9, 2017 and your funds should be deposited into your Blue Cross Blue Shield of MA HSA around February 20, 2017. If Avidia Bank receives your HSA Transfer Request form between February 1 and February 28, 2017, your blackout period should begin around March 9, 2017 and your funds should be deposited into your Blue Cross Blue Shield of MA HSA around March 20, 2017.

During this time, you can access your new Blue Cross Blue Shield of MA HSA account and use whatever funds have been deposited into the account through payroll deductions and the employer contribution.

Plan ahead. Before the blackout period begins, check to see if any of your medications will need to be refilled and if any health expenses need to be paid during the blackout period. Budget your expenses with the amounts being deposited and available in your Blue Cross Blue Shield of MA HSA. Update your account information with Express Scripts and other retailers that may have your current HealthEquity debit card on file for medications or services.

### **8. Where do I go for my 2016 HSA tax records?**

You will receive your 2016 tax statement from HealthEquity as you normally would. You'll also still have access to your HealthEquity account online to view and access account history and tax statements.

### **9. Will I still be able to access my account information from HealthEquity before, during, and after the blackout period, and after the account closes?**

Yes. You'll continue to have full access to your HealthEquity account until the blackout period begins. After the blackout period begins, you'll continue to have access to view and print all of your transactions, reports, statements, and tax statements.

### **10. If I'm not going to participate in the Blue Cross Blue Shield of MA HSA in 2017, can I transfer my HealthEquity account over to Blue Cross Blue Shield of Massachusetts?**

No. You cannot transfer your account. If you don't enroll in an employee medical plan with Blue Cross for 2017 that has an associated Blue Cross HSA, no Blue Cross HSA will be opened for you, and your HealthEquity account transitions to an individual account with HealthEquity. If in future years you enroll in a Blue Cross employee medical plan with an associated HSA, you can transfer your HealthEquity HSA at that time, but you will be responsible for any fees related to that transfer.

### **11. Who do I contact if I have further questions?**

HealthEquity Member Service:  
**1-877-694-3938**

Blue Cross Employee Services:  
**1-800-238-6616**

Blue Cross Blue Shield of MA Health  
Financial Accounts: **1-855-279-4176**

This guide was designed to assist in decisions of whether to transfer an HSA and how to make that transfer if desired. This guide, and the benefit offerings described in this guide, do not constitute an employment contract, nor do they provide a guarantee of future employment. Blue Cross Blue Shield of Massachusetts reserves the right to amend, modify, or terminate any of its benefit offerings in any manner, in whole or in part, at any time, to the extent permitted by law.

Blue Cross Blue Shield of Massachusetts complies with applicable federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, sex, sexual orientation, or gender identity.

ATTENTION: If you don't speak English, language assistance services, free of charge, are available to you. Call Member Services at the number on your ID Card (TTY: **711**).

ATENCIÓN: Si habla español, tiene a su disposición servicios gratuitos de asistencia con el idioma. Llame al número de Servicio al Cliente que figura en su tarjeta de identificación (TTY: **711**).

ATENÇÃO: Se fala português, são-lhe disponibilizados gratuitamente serviços de assistência de idiomas. Telefone para os Serviços aos Membros, através do número no seu cartão ID (TTY: **711**).

