

# 2019 HDHP and HSA FAQs



*A Health Savings Account (HSA) is available to eligible participants who enroll in a High-Deductible Health Plan (HDHP) medical option.*

## **How does a high-deductible medical plan work?**

A high-deductible medical plan works like a PPO plan in that it has similar plan features such as free preventive care, a deductible, coinsurance and an out-of-pocket maximum. It also gives you the flexibility to receive care from in-network and out-of-network doctors. What makes the high-deductible plan different are a few key features:

- **Lower paycheck contributions and a higher deductible**, so you pay only for the coverage you need.
- **Prescription drugs that are subject to the deductible**. Similar to non-preventive services, you'll first meet a deductible for your prescriptions, and then the plan covers a portion of the costs. Preventive care services, including certain preventive drugs, are free.
- **A Health Savings Account (HSA), which lets you save pre-tax money**. You can use your HSA to pay for your plan deductible and other health care expenses not paid by the plan.

## **How does the deductible work?**

The deductible is the money you pay out of your pocket before the plan begins paying for most covered services, including most prescription drugs. There is no deductible for preventive care and certain preventive drugs, which are covered at 100%. For other services and prescription drugs, the deductible amount depends on which medical plan you elected.

Once a covered family member meets the individual deductible, your insurance will begin paying benefits for that family member — the plan will start paying its share of the coinsurance, and you will pay the member coinsurance. Charges for all other covered family members will continue to count toward the family deductible. Once the family deductible is met, your insurance will pay benefits for all covered family members.

## **Am I eligible for free preventive care before the deductible?**

Yes. Preventive care services are covered 100% even before the deductible. This includes annual physicals, well-woman, well-man and well-child exams, lab work, and:

- Services appropriate for you under guidelines approved by the American Medical Association (AMA)
- Child immunizations recommended by the Food and Drug Administration (FDA)
- Adult immunizations recommended by the Advisory Committee on Immunization Practices (ACIP) and following FDA guidelines on age and frequency limitations.

### What will I pay for prescription drugs?

Some preventive prescription drugs that help you prevent illness and manage health conditions are covered even before you meet the deductible. For non-preventive prescription drugs, you pay the full cost until you meet the annual medical plan deductible. Then, you and the plan share the cost. Prescription drug maximums help protect you from high-cost medications.

### How do I use my HSA?

AECOM partners with Bank of America Merrill Lynch (BAML) to provide your HSA. If you elect a high-deductible medical plan and choose to make HSA contributions, your HSA will be automatically set up for you. If you don't receive your HSA welcome kit within a month or so, call BAML to request one at **877.637.4226**.

You can use your HSA to pay for qualified health care expenses that your plan does not cover, such as your deductible, copays and coinsurance. See the [list of qualified medical expenses](#).

### Can I transfer an old balance into my new BAML HSA?

Yes. For assistance, contact BAML at **877.637.4226**. Also, see the [2019 Open Enrollment FAQs](#) for details about the administrative change from HealthEquity to BAML.

### Should I transfer an old HSA balance?

If you enroll in a high-deductible medical plan, you might want to transfer your old balance over to your BAML HSA for the sake of convenience, to avoid account fees on the old balance and to possibly earn more interest.

### Will I receive a debit card to use?

Yes. Once your account is open, you'll receive a welcome letter and HSA debit card in the mail. The debit card gives you instant access to your HSA dollars. Just sign the back of the card and follow the instructions to activate it. If you don't receive your HSA debit card by January 1, contact BAML at **877.637.4226**.

### Why should I put money into my HSA?

There are several reasons why you should consider contributing to your HSA:

- You can contribute through convenient payroll deductions.
- Your contributions are tax-free, which may lower the amount you pay in federal taxes.
- You can use your money at any time. Any unused funds in your HSA roll over from year to year, in other words, you don't lose that money as you do with a flexible spending account (FSA).
- You own your HSA, which means you can take unused HSA dollars with you if you leave AECOM.
- You can use your HSA to save for the future, making it a smart tool to help save for medical costs during retirement.

In 2019, your contributions cannot exceed \$3,500 for employee only coverage or \$7,000 for family coverage. If you're age 55 or older you can contribute an extra \$1,000 per year.

### Can I invest my HSA?

Once your HSA cash balance reaches \$1,000, you are eligible to start investing any portion of the balance above \$1,000 in select mutual funds. This is a great way to put your money to work for you and grow your HSA more quickly. To use your invested HSA balance for qualified expenses, you must liquidate your investments and transfer funds back to your cash account. Learn more at BAML's [online education center](#) or call BAML at 877.637.4226. To set up your investments log in to [benefits.ml.com](#) (after your HSA is set up).

### What is the difference between an HSA and an FSA?

The names sound alike, but don't confuse the two. When you enroll in a high-deductible medical plan, you can use an HSA to pay for eligible health care expenses with tax-free money. If you elect a different medical plan or no medical coverage, you can use a health care flexible spending account (FSA), which also allows you to pay for eligible health care expenses with tax-free money.

While both offer valuable tax-saving opportunities, they are very different. With an HSA, you can use the money for health care expenses now or in the future. It's like having a 401(k) plan for medical expenses that gives you a chance to save, invest and grow your money. With an FSA, whatever money you don't use by the end of the year, you lose. Another important difference is that your full health care FSA contribution amount is available to you up front. However, with an HSA, the funds are not available to you until they are deposited to your account.

You can't have both an HSA and a health care FSA. If you have an HSA, you can elect a Limited Purpose FSA (for dental and vision expenses only).

See the [ABCs of HSAs and FSAs](#) for a side-by-side comparison.

### How do I keep track of my HSA and FSAs?

You can access your HSA and FSAs at [benefits.ml.com](https://benefits.ml.com).

### Where can I learn more about HSAs and FSAs?

Visit BAML's [HSA and FSA online education center](#) for information and tools.

### Who do I contact if I have additional questions?

If you have additional questions, please contact the **AECOM Benefits Service Center** at **844.779.9567 (+1 312.843.5091** outside the U.S.), between 8 a.m. and 8 p.m. Central Time, Monday through Friday. Translation services for multiple languages are available. If you need personalized assistance regarding a complex issue or question, select the prompt for the **Advocacy Service**.