Health Savings Accounts (HSA)

By offering the new CIGNA Choice Plan, an IRS-Qualified High Deductible Health Plan (HDHP), UMS is able to offer a Health Savings Account to those eligible employees who elect the CIGNA Choice Plan. This is an employee-owned bank account (allowed by Federal law for those with HDHPs) where employees may set aside tax-free money for out-of-pocket, qualified healthcare expenses (deductibles, copays, coinsurance, etc.). Funds in a Health Savings Account have no expiration date like a Flexible Spending Account.

The Health Savings Account (HSA) is owned by the employee! As the “account holder,” the IRS requires that employees meet certain criteria to open an HSA. Employees:

- Must be covered under a qualified high deductible health plan (HDHP) – such as the Choice Fund HSA
- Cannot have other health coverage – including a spouse’s Flexible Spending Account – unless permitted by the IRS
- Cannot be enrolled in Medicare or TRICARE or claimed as a dependent on someone else’s tax return

Health Savings Accounts will be transferred from JP Morgan Chase Bank to HSA Bank effective November 18, 2015.

- Eligible HSA Expenses
  - IRS Publication 502 - Medical & Dental Expenses
  - HSA Informational Brochure - Take Charge
  - HSA Rollover/Transfer Form
  - HSA Authorization for Payroll Deductions Form
  - HSA Long Term Investing
  - HSA and Medicare FAQ

In addition to any contributions you make, the University System will contribute up to $500* ($1,000 beginning 1/1/2016) for employees with single coverage and up to $1,000* ($2,000 beginning 1/1/2016) for employees with two-person or family coverage to each eligible employee’s HSA to help with the annual deductible and copays. The HSA may be used for medical plan expenses, as well as long-term care, COBRA, and Medicare premium payments.

*UMS contribution amounts are subject to change in the future based on plan participation and available University financial resources. UMS contributions will be distributed in equal paycheck installments throughout the year. For example, if you are a salaried employee paid monthly enrolled as an Individual in the Choice Plan, you will have $83.33 deposited each month for 12 months totaling $1,000 per year beginning 1/1/2016.

UMS Contribution per Paycheck

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Annual maximum contribution limit

The IRS provides maximum annual contribution limits, based on the type of underlying high deductible health plan (HDHP) coverage you have: single or family. If you have more than one person covered under your HDHP, you are classified as a “family.” The annual IRS maximum contribution limit applies to all contributions made to your account, regardless of who makes the contribution. The annual maximum contribution limits are as follows:

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Contact Employee Benefits Center

The above is a brief summary of benefits offered by the University of Maine System. If you have a question about benefits enrollment, call toll-free 866-269-9635 (or 973-3373) or email benefits@maine.edu. Have your Employee ID number for faster service.

or email benefits@maine.edu. Have your Employee ID number for faster service.