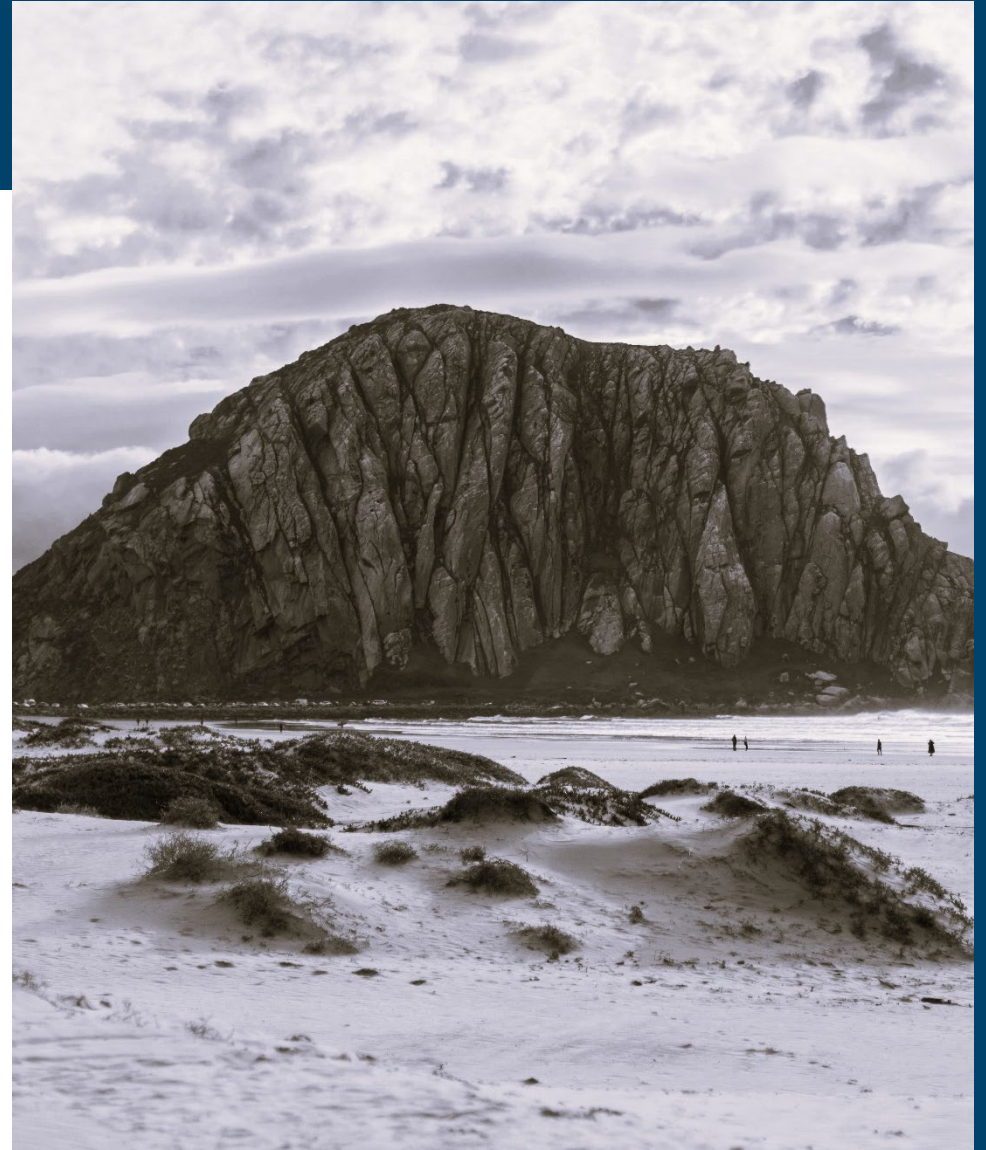


2025 HDHP & HSA Overview

County of San Luis Obispo



Agenda

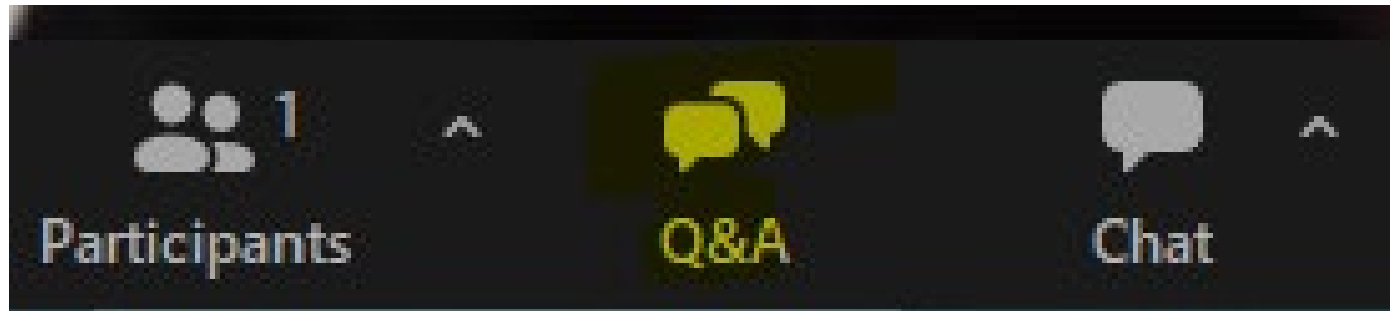
- HDHP overview
- What is a Tax Savings Account?
- HSA overview
- FAQs
- Resources

Open Enrollment October 4-18!



Zoom Overview

- You can ask questions using the Q&A feature
- We will be reviewing them throughout the presentation.



High Deductible Health Plan (HDHP)

A HDHP is a health insurance plan that has a higher deductible and lower monthly premium than traditional health plans.

- In-network preventative care is free
- HDHP includes our broad Blue Shield of California PPO network
- Access the Employee Health Clinic for \$25 copay

HDHP are best combined with a Health Savings Account (HSA), which allows you to save money for medical expenses



HDHP Plan Highlight

You will pay the contracted BSCA rate when visiting a health provider until you meet your deductible.

Then you will pay your co-insurance until you hit your out-of-pocket maximum.

Preventive Care	PLAN PAYS 100% (In-network)	
Before Meeting Deductible	YOU PAY 100% (\$2,000 Employee Only / \$6,000 Family)	
After Meeting Deductible	YOU PAY 20%	PLAN PAYS 80%
After Meeting Out-of-Pocket Max	PLAN PAYS 100% (After \$6,350 Employee Only / \$12,700 Family) <i>OOP Max for any one individual enrolled in family coverage is \$6,350</i>	



Refer to brochure and plan document for out-of-network coverage.

Tax Saving Account

- Tax-advantaged (pre-tax) savings accounts offer a financial incentive to save money for important health and childcare expenses.
- If you expect to have health costs in the next year, funding a tax savings account allows your dollars to be stretched further since your contribution is pre-tax, meaning you set those funds into your account before any taxes are paid on the amount.
- All rules set by IRS.



Health Savings Account (HSA)

An HSA, is a tax savings account which allows you to pay for current qualifying health expenses, or future health expenses.

Eligible expenses include:

- Healthcare services not paid by your insurance for yourself, spouse/domestic partner, and child dependent(s).
- Examples of expenses: Copays, deductibles, prescription drugs, prescription glasses, dental implants

Visit HSA store for eligibility list: hsastore.com/hsa-eligibility-list



HSA Benefits

Triple tax savings

- Money goes in tax free;
- Savings grow tax free;
- Withdrawals are tax free if used for eligible items

Employees can invest savings for growth, similar to a 457(b) Deferred Comp plan or 401K plan

Your HSA account stays yours, even if you retire or separate from County employment!



HSA Benefits

The County and employees can both contribute to an HSA

- The County contributes up to \$750 over the course of the year for each employee enrolled in the HDHP every year (as long as you meet IRS HSA eligibility requirements)
- Those in BU 31/32:
 - The County pays \$1000 for employee only HDHP medical enrollment
 - The County pays \$2000 for EE+1 or family HDHP medical enrollment
- You can adjust your contribution amount throughout the year, unlike an FSA account.

No rollover maximum; meaning you never have to worry about forfeiting funds. What you don't spend automatically rolls into the next year!



HSA Requirements

- IRS requires you answer HSA eligibility questions each year; referred to as “Knockout Questions” shown below
- Per IRS rules, you cannot be claimed as a dependent on another person’s tax return, and cannot be covered by another health insurance plan that is not a HDHP.

2025 HSA Eligibility Form

Health Savings Account (HSA) Eligibility Questions

If you enroll in the Blue Shield High Deductible Health Plan (HDHP) medical plan, you have the option to open a Health Savings Account (HSA) if you meet IRS requirements. A Health Savings Account (HSA) allows employees to pay for current health expenses and save for future qualified medical expenses on a pre-tax basis. To determine if you are eligible for the HSA, please answer the following:

1. Are you claimed as someone else’s tax dependent other than a spouse?

2. Are you enrolled in any of the following:

Any non-qualified HDHP health plan; you cannot have other health coverage except what is permitted by IRS (refer to IRS HSA qualifying requirements)

Medicare Parts A and B, C (Medicare Advantage) or D (prescription drug plan)

3. Are you eligible to receive benefits from any of the following:

A general purpose Flexible Spending Account (FSA) or Health Savings Account (HSA), including your spouse’s FSA or HSA

Medicaid (includes Medi-Cal/Cen-Cal)

TRICARE

4. Have you received or will you expect to receive benefits in October, November, or December of 2023 from any of the following:

Veterans Benefits

Indian Health Services Benefits

If you answered yes to any of the following questions, you are **not eligible** to participate in an HSA. If you are not eligible for an HSA and wish to change from the HDHP medical plan to another plan, you can return to the beginning of your Open Enrollment election screen to select a different medical plan. Anyone who elects an HSA & is later determined that they are not eligible, could receive IRS tax ramifications

If you answered No to all of the above, you are **eligible** for a Health Savings Account (HSA).

Answer *

YES I have answered yes to one or more of the questions above NO none of the above applies to me

HSA Requirements & Maximum

Maximums:

\$4,300/individual

\$8,550/family

- If you do not want to contribute to your HSA account, you are still required to select or enter “\$0” in your employee contribution in BenXcel.
 - This will trigger the system to setup the employer contribution for you of \$750 (over the course of the year).
- For those in BU 31/32, the County contribution is \$1-2K depending on your HDHP family tier enrollment



Paying with your HSA

You will be issued a debit card in the mail after enrolling in an HSA. This will include instructions on how to register and use your card. Your debit card is valid for up to three years.

Registration:

1. Go to the [MySmartCare Online Portal](#)

2. Select "REGISTER" in the top right corner of the screen to begin. See screenshot.

- Employee ID: your Social Security Number
- Registration ID: Benefits Debit Card number or Employer ID
- Employer ID: BCCSLO

3. Configure your account

- Set up reimbursement method and payment schedule
- Request additional debit cards for your tax dependents



Call BCC for questions and support at: 1-800-685-6100

HSA FAQs

I have a LP FSA and an HSA, do I get two cards?

No, you will have one card per employee for all accounts. Technology built into the card will determine which account is drawn from when using the card.

I had a HDHP and HSA last year, but switched to a new medical plan this year, what happens to my HSA?

Nothing. The HSA funds are yours to keep forever. You can continue to save those funds, or use them on eligible medical expenses.



HSA FAQs

I had a health FSA last year, but now have a HDHP and HSA, what happens to my FSA?

If you have a remaining balance in your FSA, it will roll into a Limited Purpose FSA, reimbursing only eligible vision/dental expenses while your HSA will be used for any medical expenses. You can then contribute into the LPFSA in the new plan year along with the HSA.

My spouse and dependents are on my HDHP, do they get their own HSA debit cards?

Each employee will get their own card and the employee can request a card for any dependents over the age of 18, but they would not get a card by default.

HSA FAQs

What happens when I separate from the County? What happens to my funds?

The HSA dollars are employee-owned funds, so the funds stay with you when you separate from the County. Your account gets moved to a retail account with Avidia Bank and they will be in contact to get out a new debit card and login information to view your account.

I'm close to age 65, what should I do?

If you're currently contributing to your Health Savings Account (HSA) and plan to start your Medicare coverage the month you turn 65, here's what you need to know:

- **End Contributions Before Your 65th Birthday Month:** Make sure all HSA contributions end before your 65th birthday month
- **Consider the Six-Month Lookback Period:** When enrolling in Medicare after age 65, there is a six-month lookback period (excluding the month of reaching age 65).



Resources on our Website

Tax Savings Accounts Benefits and Resources

[Health Savings Account \(HSA\)](#)

Learn more about how an HSA help you get more value from your pre-tax dollars. **Available for HDHP enrollees only** and must be HSA eligible to enroll.

Reference

 [FSA-Manual-Reimbursement-Form](#)

 [Health Savings Account \(HSA\)](#)

 [Limited Purpose FSA](#)

 [Dependent Care FSA \(DCFSA\)](#)

 [Healthcare Flexible Spending Account \(FSA\)](#)

 [Debit Card Registration \(FSA & HSA\)](#)

HSA eligibility list: hsastore.com/hsa-eligibility-list

Questions & Support: BCC at 1-800-685-6100

Open Enrollment Reminders:

Employee Benefits



[Open Enrollment](#)



[Employee Benefits Brochure](#)



[General Resources](#)



[Medical](#)



[Mental Health](#)



[Dental and Vision](#)



[Pharmacy](#)



[Ancillary Insurance](#)



[Financial Wellness](#)



[Retiree Benefits](#)



[Wellness and Other Benefits](#)

Update Demographic Info

- Cell Phone
- Mailing and email address

Add/Drop Dependents

- Only time outside of a qualifying life event
- Upload required documentation

Opt-out of County Medical

- Answer requires Opt-out Form
- Upload required documentation

Re-elect Tax Savings Account

- FSA & DC FSA
- Employee HSA Contribution

Add/Drop Ancillary Coverage

- Life Insurance
- Aflac Plans

Employee Support

BenXcel Workshops

- Appointments offered:
 - Oct. 9
 - Oct. 15
 - Oct. 17
- In Person at Kimball Computer Lab
- Get help with BenXcel login, uploading documents, or downloading confirmation statement

Or contact your Dept HR person for help!

Visit slocounty.ca.gov/oe for more information



Resources

- Open Enrollment Webpage: slocounty.ca.gov/oe
- 2025 HDHP Easy Guide
- [2025 Employee Benefits Brochure](#)
- Out of pocket [calculator](#) on OE website

Monthly Newsletter!



Contacts

- General Questions: Dept HR/Payroll Coordinator
- Health questions: Accolade (866) 406-1275
- [Benefits Team: hrbenefits@co.slo.ca.us](mailto:hrbenefits@co.slo.ca.us)

Questions?

