



**ASC**  
TRUST

# HSA

## HEALTH SAVINGS ACCOUNTS

*A plan to help manage health costs  
... and enjoy tax savings!*

*For Tax Year 2023*





# INVEST IN YOUR HEALTH!

A Health Savings Account (HSA) is designed for people like you who are seeking a better alternative to the rising healthcare costs. You'll get better value and long-term incentives for managing your healthcare dollars today. You have the potential of saving over \$7,000 per year in an HSA.



## 3-WAY TAX SAVINGS

Contributions are tax-deductible, earnings are tax-deferred, and qualified withdrawals are tax-free.



## HEALTHCARE SERVICES

Pay for covered expenses that apply toward your deductible and pay for medical expenses your plan may not cover.



## GREATER CONTROL

Use your funds when expenses arise, or let your money continue to grow over the years for future expenses.



## RETIREMENT SUPPLEMENT

A major expense to most retirees is medical expenses. You can use your HSA for medical expenses instead of your retirement income.



## FREQUENTLY ASKED QUESTIONS (FAQ)

### 1. WHO IS ELIGIBLE FOR AN HSA?

You must be enrolled in High Deductible Health Plan (HDHP) and must NOT be participating in one of the following benefit programs: Medicare/Medicaid, Health Flexible Spending Account, covered under another health insurance plan, and/or receiving VA benefits in the past 3 months.

### 2. CAN I OPEN A SEPARATE HSA FOR MY SPOUSE IF WE HAVE FAMILY COVERAGE?

Yes, if your spouse meets the eligibility requirements in the question above. However, the maximum that you can contribute to both accounts cannot exceed the annual limits.

### 3. WHAT HAPPENS IF I LEAVE GUAM?

Your HSA is transferable from one HSA provider to another if you leave Guam; you can rollover your HSA balance to another HSA provider. If you prefer, you can always maintain your HSA account with ASC and use your HSA Debit Card wherever you go.



## MORE INFO?

Contact us Monday to Friday  
from 8:00AM to 5:00PM



120 Father Dueñas Avenue | Suite 110 | Hagåtña | Guam 96910  
Phone: 671.477.2724 | Fax: 671.477.2729

# YOUR HSA BASICS



## How to qualify for a HSA?



HSAs are available to you if you:

- 1) Have coverage under a qualifying “high-deductible health plan (HDHP);
- 2) Have no other primary health insurance coverage or Health Flexible Savings Account;
- 3) Are not enrolled in Medicare or Medicaid; and
- 4) Cannot be claimed as dependent on someone else’s tax return.



## Tax Reporting

You declare your HSA contributions as a tax deduction when you file your taxes at the end of the year. However, if your employer has a Cafeteria Plan (aka Flexible Benefit Plan) that includes HSA, you can have your HSA contributions deducted pre-tax from your paycheck.



## Tax Deductions

Contributions to an HSA are tax-deductible. The contribution limit is \$3,850 if you have single coverage in 2023 (\$3,650 in 2022). The deduction limit is \$7,750 if you have family coverage in 2023 (\$7,300 in 2022). You can make an additional \$1,000 catch-up contribution if you’re age 55 or older.



## Our Reporting Features



We provide a quarterly statement that summarizes your account contributions and disbursements from your HSA. You will also have access online to view your account at anytime and make transfers to your HSA Debit account when needed. To assist with year-end tax preparation, ASC will send you the required information to help you complete your income tax return.

## DEPEND ON ASC

The ASC HSA provides you with great features and superior service for your HSA. We are the first and only full-service HSA Administrator in Guam and the CNMI and have been administering HSAs since its inception in 2003.

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# Frequently Asked Questions

## ● Who is eligible for an HSA?

You must be enrolled in a High Deductible Health Plan (HDHP) and must NOT be participating in one of the following benefit programs:

- Medicare or Medicaid
- Health Flexible Spending Account
- Covered under another major health insurance plan (including Tricare)
- Receiving or have received VA benefits in the past 3 months

## ● Can I still contribute up to the maximum even though I enrolled in the HDHP in the middle of the year?

Yes, but you must remain in the HDHP for a full year and maintain eligibility as described in Q1 above.

## ● Can I open a separate HSA for my spouse if we have family coverage?

Yes, if your spouse meets the eligibility requirements in Q1 above. However, the maximum that you can contribute to both accounts cannot exceed the annual limits.

## ● What kind of tax savings can I expect?

It depends on your tax rate. For example, if your tax rate is 20% and you contribute \$5,000 into your HSA, you will save \$1,000 in taxes. The higher your tax rate, the greater the tax savings. If your employer has a Section 125 Cafeteria Plan, you may be able to have your HSA contributions deducted before taxes.

## ● How do I withdraw money from my HSA?

After completing the Debit Card Application, you will receive a free ASC HSA Debit Card from BankPacific with a minimum \$25.00 deposit. You can use the card to pay for your healthcare expenses or you can cut checks from your ASC HSA Debit Card account. The HSA Debit Card is a VISA card, which means you can use it all over the world at any healthcare-related merchant that accepts VISA. You may also request for a distribution check from ASC but additional fees apply.

## ● Can I lose the money in my HSA if I don't use it to pay for medical expenses?

No. There is no "use it or lose it" clause. Any money leftover in your account at the end of the year rolls over year after year until you are ready to withdraw it, even if you are no longer participating in an HDHP.

## ● What happens if I leave Guam?

Your HSA is transferable from one HSA provider to another. If you leave Guam, you can rollover your HSA balance to another HSA provider. If you prefer, you can always maintain your HSA account with ASC and use your HSA Debit Card wherever you go.

## ● How can I find out my account balance and see my account activity?

ASC's website ([www.asctrust.com](http://www.asctrust.com)) will show your HSA activity and BankPacific's website ([www.bankpacific.com](http://www.bankpacific.com)) will show details on your Debit Card transactions. You will also receive quarterly statements from ASC and monthly statements from BankPacific. In addition to checking your account balance, you can also make changes and transfer money between your investment elections through ASC's website.

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# Frequently Asked Questions

## ● What happens if I don't re-enroll in an HDHP or I become ineligible for an HSA?

If you do not meet the eligibility requirements that are outlined in Q1, you must stop contributing to your HSA. However, you can keep your HSA for as long as you want and continue to make tax-free withdrawals to pay for healthcare expenses.

## ● Do I need to include any special tax forms when filing my taxes?

Yes. You must file a Form 8889 with your tax return (Form 1040). Form 8889 is used to report all contributions and withdrawals from your HSA for the tax year. We will provide you with the information and assistance you need to complete the Form 8889 each year.

## ● What happens to my HSA if I should pass away?

When you open your HSA, you will be asked to provide a primary and secondary beneficiary. You can change your beneficiaries at anytime, however, additional documents may be required for certain situations.

## ● Are there any fees associated with my HSA?

Yes. Each quarter, your HSA will be charged an \$8.00 administrative fee and if you are investing in the profiles or Stable Fund, a 0.25% asset management fee. There are no fees for using the HSA Debit Card, however, BankPacific may charge certain banking fees for overdrafts, returned checks & statements, dormant accounts, etc.



## For More Information

Visit your Human Resources Office or contact ASC Trust at (671) 477-2724 or email [info@ASCTrust.com](mailto:info@ASCTrust.com). For additional information about cafeteria plans and to view your account details (for reimbursement accounts only), visit the ASC website at [www.ASCTrust.com](http://www.ASCTrust.com).