

Top 10 Tips

To Get the Most from Your HDHP with HSA

The High Deductible Health Plan (HDHP) is not your average medical plan — it combines comprehensive medical and prescription drug coverage with a tax-advantaged Health Savings Account (HSA) to help you budget for health care expenses and save money.

TIP #1

START YOUR HSA

When you enroll in the HDHP through Cigna or Kaiser Permanente during Open Enrollment or upon hire, you'll be prompted to also elect an HSA. As part of this process, you must verify that you are eligible for an HSA. Once you do, your HSA will be set up in Workday and will be administered by Fidelity.

If you're eligible, you must actively elect an HSA in Workday to:

- Receive PCC's contribution* of $750 per individual or $1,500 if enrolled with dependents
- Make contributions through payroll deductions
- Receive a debit card
- Spend any funds in your account

**PCC's contribution will be prorated based on your month of hire.*

HSA ELIGIBILITY

All benefits-eligible associates can enroll in the HDHP with HSA. However, you aren't eligible to open an HSA if you're:

- Contributing to or have a balance in a Health Care Flexible Spending Account (FSA)
- Enrolled in another medical plan (such as a spouse's plan), unless it's a qualified high-deductible health plan
- Enrolled in Medicare
- Eligible to be claimed as a dependent on another individual's tax return
- Not a U.S. resident
- An active military member enrolled in TRICARE (including your spouse, who is also enrolled in TRICARE)

HAVE AN EXISTING HSA? TRANSFER YOUR BALANCE

If you have another HSA from a previous employer or through a personal account, you can transfer your balance to your new HSA through Fidelity — it takes less than 5 minutes to **start an online transfer** (make sure you have a recent statement from your existing HSA administrator). Funds will usually be transferred to your Fidelity account within 2–5 weeks.

Note: Your current administrator will likely require you to complete their transfer form as well. Also, you are responsible for paying any transfer fees that may be charged by the other administrator.

Visit **Fidelity's Learning Center** for more information about transferring an existing HSA.

FIDELITY MUST VERIFY YOUR IDENTITY

When you open an HSA, Fidelity is required to verify your identity as part of the Patriot Act. Fidelity will automatically validate your physical mailing address (not a P.O. Box) as it is listed in Workday. The verification process takes approximately 2–3 business days. Once your identity has been verified, your Fidelity HSA debit card will be mailed to your address on file. If your identity is not verified, you may be asked to provide additional identification, as requested by Fidelity.

Questions about your HSA or medical plan?

Contact the benefits call center at **855-874-3489** for assistance. You can also call this number to change your HSA contribution amount at any time throughout the year. For questions about your HSA balance, account transactions and more, call Fidelity at **800-835-5095**.

TIP #2

CONTRIBUTE TO YOUR HSA

Once your account is open, you can contribute to your HSA. Consider these important points:

- **Decide how much you want to contribute.** During enrollment, you may have elected to make your own tax-advantaged contributions. In 2027, you can contribute up to:
  - $4,500 for individual coverage
  - $9,000 for family coverage

  If you're age 55 or older, you can contribute an additional $1,000. These limits are subject to change each year.
- **Make the most of lower paycheck deductions.** By choosing the HDHP with HSA, the benefit premium amount you pay is less, so your paycheck deduction is lower. Grow your nest egg faster by contributing those premium savings to your HSA.
- **Build your balance early.** With an HSA, you can start, stop or change your contribution amount at any time during the year (unlike the Health Care Flexible Spending Account, also known as an FSA). Consider contributing a larger amount out of your first few paychecks of the year to quickly build a balance for any immediate or unforeseen expenses. You may choose to reduce your contribution amount for the remainder of the year. (Log in to Workday at **wd5.myworkday.com/wday/authgwy/pcc/login.htmld** to make any changes.)
- **Keep it.** You own the money in your HSA, and you can take it with you even if you change plans or leave PCC. You can even save your HSA funds to use during retirement.

IF YOU LEAVE PCC

Your HSA is an individually owned account and remains yours if you leave PCC. Fidelity will continue to administer your HSA for a monthly administrative fee unless you contact them at **800-835-5095** and request a transfer to another HSA administrator.

TIP #3

SAVE YOUR HSA FUNDS

For certain expenses, you may prefer to pay out of pocket and save your HSA funds for larger expenses or for the future. When you turn 65, you can use your HSA funds to pay your Medicare premiums tax-free.

CHOOSE YOUR PAYMENT OR REIMBURSEMENT OPTION

Paying for qualified health care expenses with your HSA is easy. Here are your options:

- **Use your card.** Once your HSA is set up (see Tip #1), you'll receive a Fidelity HSA debit card in the mail. The card will automatically be loaded with any contributions you've made to date. You can use it to pay for qualified expenses when funds are available.
- **Swipe the card to pay at the point of service, like at the doctor's office or pharmacy.** You can also use the debit card as a credit card to pay for invoices from your doctor's office and when you pick up any prescriptions. Keep in mind that you can only use the card to pay for qualified health care expenses (see Tip #5); otherwise, you'll be subject to a tax penalty.
- **Pay online.** Link to your account at **netbenefits.com** to reimburse yourself through a check or direct deposit or to send a check to your provider.

Note: Your HSA isn't automatically linked to your medical plan. Each time you're ready to pay for your medical care, you'll need to choose whether you want to use HSA funds or pay out of pocket and leave your HSA funds to use for a later date.

TIP #4

MANAGE YOUR ACCOUNT

You can access your account information 24/7 at **netbenefits.com** or by calling **800-835-5095**. Check your account regularly to see your balance and review your recent activity. You can also:

- File reimbursement claims
- Pay for qualified health care expenses
- Manage your transactions and account settings
- Access other resources and tools to help you make the most of your HSA

YOUR HSA RESOURCES	
IF YOU NEED TO...	CONTACT...
• Enroll in an HSA • Choose your contribution amount • Make changes to your contributions	**Benefits Call Center** **855-874-3489** (language assistance available) Monday – Friday, 4 a.m. – 6 p.m. PT **wd5.myworkday.com/wday/authgwy/pcc/login.htmld**
• Check your account balance • Review recent account activity and transactions • See a complete list of eligible expenses • Download HSA forms • Get help with your HSA debit card • Make payments online (reimburse yourself or pay your provider) • Access tools and resources for using your HSA • Invest your HSA funds to help your balance grow (see Tip #6)	**Fidelity** **800-835-5095** Monday – Friday, 5:30 a.m. – 5:30 p.m. PT **netbenefits.com**

TIP #5

GET THE FULL LIST OF QUALIFIED EXPENSES

When you need health care services, it's important to consider whether the expenses will be HSA-qualified under IRS rules.

Examples of qualified expenses are listed below. For a complete list of qualified expenses, review IRS Publication 502 at **irs.gov/publications/p502/index.html**.

MEDICAL EXPENSES

- Deductible
- Out-of-pocket costs, including copays and coinsurance
- Office visits
- Prescription drugs
- Procedures, lab work, exams, X-rays and hospitalization expenses
- Smoking cessation programs or products
- Chiropractic care, acupuncture and physical therapy
- Bandages, crutches and other over-the-counter items (as long as you have a prescription from your doctor)

DENTAL EXPENSES

- Deductible
- Copays and coinsurance for dental care
- Orthodontia

VISION EXPENSES

- Exam copays
- Eyeglasses, including frames
- Contact lenses

SAVE YOUR RECEIPTS!

Unlike an FSA, where you have to demonstrate expenses were eligible prior to being reimbursed, with the HSA, it's your responsibility to track and maintain records of how your HSA funds were used. You'll need these records in the event you're ever audited by the IRS.



Mt. Hood at dawn, Portland, OR



TIP #6

INVEST YOUR SAVINGS

You can grow your funds even further by investing in a variety of mutual funds. Log in to your account at **netbenefits.com** to:

- View fund options and performance
- Access online professional investment guidance and tools
- Set up and make changes to your investment allocations
- View additional details about your investment account

MAXIMIZE YOUR TAX SAVINGS

Take advantage of your HSA's tax savings features.

SAVE WHEN YOU CONTRIBUTE	SAVE AS YOU BUILD YOUR BALANCE	SAVE WHEN YOU PAY
You don't pay federal income tax on the HSA dollars you contribute through paycheck deductions.*	As your HSA funds grow, the interest and investment earnings are free from federal taxes.* You have the option to invest in a variety of mutual funds.	As long as you use your HSA to pay for qualified health care expenses, you don't pay taxes on withdrawals from your account.

*California and New Jersey tax HSA contributions and/or earnings. New Hampshire and Tennessee tax dividend and interest earnings after a certain dollar amount. Check with your tax advisor to see if this applies to you.



TIP #7

SHOP AROUND FOR QUALITY AND COST-EFFECTIVE CARE

Did you know that the cost for services can vary widely among providers and facilities? For example, you could save hundreds of dollars by comparing prices on an MRI at a few hospitals and stand-alone facilities in your area. When you spend less, you use your health care dollars wisely and can keep more of your HSA funds for future needs.

TIP #8

PAY LESS FOR PRESCRIPTION DRUGS

For non-preventive services and medications, you must pay the full deductible before the HDHP with HSA pays any benefits, including benefits for prescription drugs. Here are a few helpful tips about your prescription drug coverage.

FIND OUT IF YOUR MEDICATIONS ARE PREVENTIVE	GO GENERIC	USE MAIL ORDER
For certain preventive prescriptions, you don't have to meet your deductible first. You can find the list of preventive medications by visiting your plan's website: • **mycigna.com** • **kp.org**	Don't pay more for prescription drugs than you need to — ask your doctor if a generic is available. On average, generic drugs cost 30 – 70% less than their brand-name equivalents, but have the same active ingredients, quality and strength.	When you order your maintenance medications (drugs you take regularly for chronic conditions, such as diabetes) through your plan's mail-order program, you'll save money — and you'll get a larger supply at a lower cost. For more information, visit your plan's website: • **mycigna.com** • **kp.org**

By paying less out of pocket, you use less out of your HSA so you can grow your funds — allowing you to save for retirement or save for larger, future expenses.

IMPORTANT

You can use your HSA dollars to purchase over-the-counter drugs without a prescription. These expenses must have been incurred while you were enrolled in a qualified HDHP with Cigna or Kaiser.



Beach Community in Groton, CT



TIP #9

STAY HEALTHY WITH PREVENTIVE CARE

Make the most of your health care dollars by taking advantage of your plan's preventive care benefits. The HDHP with HSA pays 100% for the following covered services:

CHILDREN	ADULTS	
• Well-baby care • Annual physicals • Preventive drugs • Immunizations • Medical/family history and physical exams • Blood pressure checks • Cholesterol checks	• Pap tests • Mammograms • Osteoporosis tests • Annual physicals • Preventive drugs • Immunizations • Medical/family history and physical exams	• Blood pressure checks • Cholesterol checks • Diabetes mellitus: Baseline for high-risk individuals • Colonoscopies • Prostate cancer screenings

By using these free services, you're able to make your HSA dollars go further. Plus, when you stay up to date on your health, you can learn about health issues early, which may save you money in the long run.

You can find the complete list of preventive care services by visiting your plan's website:

- **mycigna.com**
- **kp.org**



TIP #10

KNOW WHERE TO GO TO GET CARE

Need care now? The emergency room may not always be the best option. Consider using an urgent care facility for faster care and lower costs — allowing you to save your HSA dollars for the future and ensuring you're getting the right care for the right price.

PRIMARY CARE PROVIDER (PCP)	URGENT CARE CENTER	TELEHEALTH	EMERGENCY ROOM
In addition to providing standard preventive care, your PCP can also treat minor illnesses and injuries at a fraction of the cost (e.g., earaches, seasonal allergies, common skin conditions).	If you need medical care quickly (e.g., for cuts, sprains or burns) or your family doctor is unavailable, consider going to an urgent care center. It may cost a little more than a routine office visit, but it's much less than you would spend if you made a trip to the ER. You can locate your nearest in-network urgent care facility by visiting your plan's website: • **mycigna.com** • **kp.org**	If you're a Cigna member, take advantage of virtual visits, which let you connect with a doctor using a smartphone, tablet or computer for a wide range of health care needs (e.g., flu-like symptoms, urinary tract infections, pinkeye). Best of all, the average cost of a virtual visit is significantly less expensive than a traditional office visit. If you're a Kaiser member, talk to your PCP to learn about telehealth options available to you.	If you're experiencing a true or life-threatening emergency, go directly to the ER. This includes: • Loss of consciousness • Severe or unexpected dizziness • Intense pain • Symptoms of a heart attack or stroke, such as chest pain • Severe breathing problems or shortness of breath



Hidden Falls on Rock Creek in Happy Valley, near Clackamas, OR

PCC