

**Health Savings Account (HSA)**  
**Salary Reduction Election and**  
**Certification of HSA Eligibility**  
**City of Traverse City**

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Name: \_\_\_\_\_ SSN: (last 4 digits only) \_\_\_\_\_

Birth Date: \_\_\_\_\_

Address: \_\_\_\_\_

Effective \_\_\_\_\_, 20\_\_\_\_, I hereby authorize \$ \_\_\_\_\_ (biweekly amount) to be reduced from my pay on a pre-tax basis under my employer's flexible benefits plan and deposited into my Health Savings Account at Northwestern Bank. I understand that it is my responsibility to comply with Internal Revenue Service (IRS) regulations regarding deposit amounts into my Health Savings Account.

I also understand that for any month contributions are made to a health savings account (HSA) on my behalf, I must meet all of the following HSA eligibility conditions:

1. I have high deductible health plan (HDHP) coverage under my employer's health plan.
2. I cannot be claimed as another person's tax dependent.
3. I am not enrolled in Medicare.
4. If I have any health coverage other than my employer's HDHP, that coverage must be either: (a) other HDHP coverage (described in paragraph A on the reverse of this form); or (b) permitted non-HDHP coverage (described in paragraph B on the reverse of this form).
5. If I am married, I am not covered by my spouse's health plan unless that coverage qualifies under paragraph C on the reverse of this form.

By signing below, I certify that all of the statements above are true. I understand that I am not eligible for HSA contributions during any month in which I do not meet all of the above HSA eligibility conditions. I also understand that my Employer's HSA contributions and my own HSA contributions (if any) are subject to certain limits under federal tax law and that it is my responsibility, not my Employer's, to ensure those limits are met.

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Northwestern Bank Account #

**A. HDHP coverage is health coverage that meets the following requirements:**

- Self-Only Coverage: Self-only coverage is coverage of one individual. To qualify as HDHP coverage, it must have a deductible of at least \$1,200 for the 2012 calendar year (indexed annually thereafter for inflation) before any reimbursement is made for eligible medical expenses, other than preventive care. In addition, the sum of the deductible and other annual out-of-pocket expenses (such as co-pays and co-insurance, but not premiums) cannot exceed \$6,050 and indexed annually thereafter for inflation.
- Family Coverage: Family coverage is any coverage other than self-only coverage. Family HDHP coverage must have a deductible of at least \$2,400 for the 2012 calendar year (indexed annually thereafter for inflation) before any reimbursement is made for eligible medical expenses, other than preventive care. No amounts can be paid other than for preventive care until the minimum required family deductible has been satisfied (i.e., there cannot be an individual deductible within the family deductible that is less than the required minimum of \$2,400 in 2012 and indexed annually thereafter for inflation). In addition, the sum of the deductible and other annual out-of-pocket expenses that the insured is required to pay (such as co-payments and co-insurance, but not premiums) cannot exceed \$12,100 in 2012 and indexed annually thereafter for inflation.

**B. Permitted non-HDHP insurance or coverage is:**

- coverage for accidents, disability, dental care, vision care, or long-term care;
- insurance in which substantially all of the coverage relates to liabilities under worker's compensation laws, tort liabilities, liabilities relating to ownership or use of property (e.g., home-owner or auto insurance), or similar liabilities specified by the IRS;
- insurance for a specified disease or illness (e.g., cancer insurance); or
- insurance that pays a fixed amount per day (or other period) of hospitalization (e.g., hospital indemnity insurance).

**C. Special Rule for Married Individuals:**

- You are ineligible for HSA contributions for any month in which your spouse has family coverage (that covers you) under a non-HDHP plan, or for any month your spouse participates in a general-purpose health flexible spending arrangement (FSA) or general-purpose health reimbursement arrangement (HRA) through his or her employer (except in the unlikely event those arrangements specifically do not cover medical expenses of spouses). The rules regarding married individuals who both have HSAs are complicated. You may wish to consult your tax advisor to determine what HSA contributions, if any, you and/or your spouse are eligible to make.