HEALTH SAVINGS ACCOUNT

2022 PRE-TAX PAYROLL DEDUCTION FORM

INSTRUCTIONS

How to Enroll in an ALEC Credit Union HSA and Begin Payroll Deductions

1) You must enroll in your HSA before electing payroll deductions. For more information and to enroll, contact ALEC Credit Union at www.alecu.org to enroll, or call (800) 762.9988 for more information about HSAs and enrollment. The health plan enrollment and HSA account must be in the same employee's name for pre-tax payroll deductions.

2) Complete the attached Pre-Tax Payroll Deduction Form and return the completed form to the address at the bottom of the form. Additional forms are available in the Health Forms and Documents section of https://abbviebenefits.ehr.com.

3) **A Health Savings Account Pre-Tax Payroll Deduction Form must be submitted by December 8th each calendar year for payroll deductions to continue without interruption; forms submitted after the deadline will be processed on the next available payroll cycle.**

2022 Contribution Limits

The IRS has established annual limits that can be contributed to an HSA of $3,650 for single coverage and $7,300 for family coverage for 2022, regardless of your plan's annual deductible so long as your plan is a qualifying High Deductible Health Plan (HDHP). The UnitedHealthcare High Deductible Choice Plus is a qualifying HDHP.

If you enroll in an HDHP on or after January 1, 2022, you may make a full year's contribution for 2022 into the HSA. However, in order to make a full-year's contribution as a mid-year HDHP enrollee, you must maintain HDHP coverage through December 2023. Failure to maintain HDHP coverage (for reasons other than death or disability) will result in income tax and a 20 percent additional tax on the contribution amounts attributable to the months before you had HDHP coverage. In other words, if you make a contribution for months before you were covered by an HDHP, you will need to remain covered by the HDHP through December 2023 to avoid taxes and penalties.

Finally, catch up contributions are allowed for individuals age 55 or older during the calendar year (or who turn age 55 during the calendar year). Catch up contributions are limited to a maximum of $1,000 for 2022.

HSA and FSAs

When you have an HSA and an FSA, the IRS **does not** allow you to use your FSA dollars to pay any OTC, medical, or prescription expenses until you meet your UHC deductible. But you may use your FSA to pay eligible vision and dental expenses at any time.

So that you don't accidentally receive reimbursement for OTC, medical, or prescription expenses before you meet your UHC deductible, your FSA will be restricted so that it will only accept vision and dental expenses. If you meet your annual deductible, these restrictions will be removed. You will need to submit proof of having met your annual HDHP deductible and complete the HDHP Deductible Form located on www.wageworks.com.

ALEC HEALTH SAVINGS ACCOUNT

2022 PRE-TAX PAYROLL DEDUCTION FORM

STEP 1

Name____

Unique Personal Identification Number (UPI)____

Action (SELECT ONE): ☐ New ☐ Change ☐ Stop

Based on your estimates, elect the amount you wish to contribute to your HSA for the 2022 calendar year.

Annual HSA Contribution Amount	$_______________
Annual Catch Up Contribution Amount	$_______________
Total Annual Contribution Amount	$_______________

Please deposit to ALEC Credit Union HSA:

ALEC Member Number____

Member Name____

I authorize the pre-tax reduction of my salary by the amount designated above (pro-rated by pay period).

I understand that contributing to an HSA affects eligible expenses under an FSA and that I can select an HSA-compatible (limited purpose) FSA through WageWorks.

I understand that any withdrawals/distributions made from my HSA for health care expenses incurred prior to the establishment of my HSA or for other non-qualified types of expenses will be taxable and may be subject to additional penalties in accordance with IRS regulations. I further understand that it is solely my responsibility to report these withdrawals/distributions to the IRS.

____ _________________________________

Signature Date

STEP 2

PLEASE RETURN COMPLETED FORM TO YOUR LOCAL ALEC BRANCH OR TO:

ALEC
325 Tri-State Parkway
Gurnee, IL 60031-5280
Fax #: (847) 786.8338/ Phone #: (800) 762.9988
HSA@alecu.org

ALEC will authorize this form and send to the AbbVie Benefits Center. Please allow two weeks (from AbbVie Benefits Center's receipt of the form) for the initiation/change to occur.

STEP 3

FOR ALEC USE ONLY

An authorized ALEC signature attests that the HSA account indicated above is open and is held by the employee requesting the pre-tax payroll deduction. Upon review completion, ALEC will forward to: AbbVie Benefits Center, Fax# 844.872.0756

HSA Share Draft Number __________

Authorized signature ________________________________ Date ________________________