

July 7, 2015

To: Health Insurance Benefit Eligible Employees  
Re: High Deductible Health Plan/HSA Contributions

Pertinent Qualifications: Employees who are over age 65 or Enrolled in Medicare  
Employees who participate in the High Deductible Health Plan

If you have chosen or choose to sign up for Medicare Parts A and B once you turn 65;

- You can no longer contribute money from your pay into your Health Savings Account (HSA) and the Town can no longer make contributions to your account.

The Town will issue their contribution to your pay according to the most current collective bargaining agreement or for non- union members, a designation you make in writing to the Finance Department.

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If you are 65 or over and choose not to enroll in Medicare right away and wish to continue to remain on the High Deductible Health Plan:

- You can continue to have the Town deposit contributions to your HSA account on a pre-tax basis.
- For those who wish to delay enrolling in Medicare Part A because you are making pre-tax contributions to a HSA, you will do so by informing Social Security that you are waiving Part A. When you do contact Social Security to begin receiving your Social Security check or to enroll in Medicare Part A and/or Part B, it is then that you cannot make any more contributions to the HSA because you will be enrolled in Medicare. When you enroll for your Social Security check, then your Part A and/or Part B dates will be later than when you turned 65. You will need a SEP (Special Election Period). <http://www.yourhoustonnews.com/spring/opinion/turning-need-to-delay-medicare-part-a-to-fund-a/article>

It is your responsibility to notify the Town that you no longer can make contributions to your HSA account once you've enrolled in Medicare Parts A and/or B. At that point other arrangements for the Town contribution will be made.

Read, Received and Acknowledged by: \_\_\_\_\_  
Signature Date

\_\_\_\_\_ I request that the Town HSA Contribution be included in my paycheck.

\_\_\_\_\_ I request that the Town HSA Contribution be made as a separate check.

\_\_\_\_\_ I am not enrolled in Medicare. Please continue to deposit the Town HSA Contribution to my HSA.