

Setting up an HSA

1. *Obtain an HSA qualified high deductible health plan.*

To establish or contribute to an HSA, you must first have a high deductible health plan (HDHP) in place. In general, an HSA qualified HDHP means, as defined in IRC Section 223 (c) (2), a health plan which satisfies each of the following requirements regarding deductible and expenses as shown below. Check with your insurance agent or websites such as HealthInsurance.com for a qualified HDHP.

The following minimum must apply to all medical expenses, including prescription drugs, except preventive care:

- Individual Coverage Minimum Deductibles: \$1,200* (2010/2011)
- Family Coverage Minimum Deductibles: \$2,400* (2010/2011)

The sum of the annual deductible and out-of-pocket expenses (other than premium) for covered benefits cannot exceed the following:

- Individual Coverage Minimum Deductibles: \$5,950* (2010/2011)
- Family Coverage Minimum Deductibles: \$11,900* (2010/2011)

**Minimum deductibles and out-of-pocket expenses are indexed annually.*

2. *Complete an HSA Application/Custodial Agreement and follow the guidelines as instructed on the application.*

3. *Enclose a check as shown below:*

- One time setup fee \$10.00 Made payable to AFHSA
- Minimum opening deposit \$50.00 Made payable to InvesTrust, N.A.

A monthly administration fee of \$5.00 will be automatically deducted from your HSA the first of the month following the establishment of your account.

4. *Mail the application/custodial agreement with your checks to:*

American Fidelity Health Services Administration
P.O. Box 25523, 2000 N Classen Blvd., G16
Oklahoma City, OK 73125-0523

Once we receive the application/custodial agreement, we will establish an investment account for you and a welcome kit will be mailed within 3-5 days of receipt of your application. A debit card will be mailed in a separate mailing within 7-10 days after we receive your application.

Important note – If you do not receive your debit card within the 7-10 day time period, you will have until the 15th business day, after the 10th day, to report that you did not receive it. Otherwise, a \$15.00 replacement card fee will be charged to reissue the card.

For example, if your HSA's effective date is 06/01/10 and you did not receive your debit card, you have until 06/25/10 to report the that you did not receive the card. If the occurrence is reported after this date, a \$15.00 replacement fee will be charged.

