

Frequently Asked Questions

Select a category below to view common questions and answers on each plan offered by Flores.



What is a Health Savings Account (HSA)?

An HSA is a tax-advantaged personal savings account that can be used to pay for medical, dental, vision and other qualified expenses now or later in life. To contribute to an HSA you must be enrolled in a qualified high-deductible health plan (HDHP) and your contributions are limited annually. The funds can even be invested, making it a great addition to your retirement portfolio.

Why should I participate in an HSA?

1. Money goes in tax-free. Most employers offer a payroll deduction through a Section 125 Cafeteria Plan, allowing you to make contributions to your HSA on a pre-tax basis. The contribution is deposited into your HSA prior to taxes being applied to your paycheck, making your savings immediate. You can also contribute to your HSA post-tax and recognize the same tax savings by claiming the deduction when filing your annual taxes.
2. Money comes out tax-free. Eligible healthcare purchases can be made tax-free when you use your HSA. Purchases can be made directly from your HSA account, either by using your benefits debit card, ACH, online bill-pay, or check – or, you can pay out-of-pocket and then reimburse yourself from your HSA.
3. Earn interest, tax-free. The interest on HSA funds grows on a tax-free basis. And, unlike most savings accounts, interest earned on an HSA is not considered taxable income when the funds are used for eligible medical expenses.

What documentation am I required to send to verify my claim?

Along with your completed claim form (available at www.flores247.com after logging in), you will need to include an itemized receipt from the provider or an Explanation of Benefits from insurance that includes date of service, description of service, patient name, and out-of-pocket responsibility.

What expenses are eligible for reimbursement?

Health plan co-pays, deductibles, co-insurance, vision, dental care, over-the-counter medications, certain medical supplies, and menstrual care items are covered. Services must be incurred after the date your HSA was first established in order to be eligible. The IRS provides specific guidance regarding eligible expenses. (See [IRS Publication 502](#)).

Am I eligible to participate?

In order to contribute, *you must be enrolled in a qualified HDHP*, not covered under a secondary health insurance plan, not enrolled in Medicare, and not another person's dependent. There are no eligibility requirements to spend previously-contributed HSA funds.

What is an HSA Qualified Health Plan?

In 2022, an HSA Qualified Health Plan is a health insurance plan with deductible amounts that are greater than \$1,400 for individual or \$2,800 for family coverage and have an out-of-pocket maximum that does not exceed \$7,050 for individual or \$14,100 for family coverage.

How do I contribute money to my HSA?

Payroll deduction is most likely offered by your employer. Your annual contribution will be divided into equal amounts and deducted from your payroll before taxes. Direct contributions can also be made from your personal checking account and can be deducted on your personal income tax return.

Can I change my contributions to my HSA during the year?

Yes. You will not be subject to the change-in-status rules applicable to other benefit accounts. You will be able to make changes in your contributions by providing the applicable notice of change provided by your employer.

How much can I contribute to my HSA?

Contributions can be made by the eligible employee, their employer, or any other individual. Annual contributions from all sources may not exceed \$4,150 for singles or \$8,300 for families in 2024 (these limits are subject to change and determined by the IRS each year). Individuals aged 55 and over may make an additional \$1,000 catch-up contributions. You do not have to be enrolled in an HSA for the entire year in order to make the maximum contribution.

Do I have to spend all my contributions by the end of the plan year?

No. HSA money is yours to keep. Unlike a flexible spending account (FSA), unused money in your HSA isn't forfeited at the end of the year; it continues to grow, tax-deferred.

How do I access the funds in my HSA?

Your HSA is similar to a checking account. You are responsible for ensuring the money is spent on qualified purchases only and maintaining records to withstand IRS scrutiny. Your HSA funds are loaded onto your Flores Benefits Card for you to pay your provider directly or to purchase HSA-eligible items at the point of sale. If you pay for an eligible expense using some other form of payment, you have the option to reimburse yourself from your HSA balance by issuing a distribution via direct deposit or check. You can also issue a payment from your HSA to a provider using the online banking tools available at www.flores247.com.

When must contributions be made to an HSA for a taxable year?

Contributions for the taxable year can be made in one or more payments at any time after the year has begun and prior to the individual's deadline (without extensions) for filing the eligible individual's federal income tax return for that year. For most taxpayers, the deadline is April 15 of the year following the year for which contributions are made.

What happens to the money in my HSA if I no longer am enrolled in an HSA Qualified Health Plan?

Once you discontinue coverage and/or get secondary health insurance coverage that disqualifies you from an HSA, you can no longer make contributions to your HSA. However, since you own the HSA, you can continue to use the remaining funds for future healthcare expenses.

Can I withdraw the money for non-healthcare purchases?

Yes. If you withdraw the money for an unqualified expense prior to age 65, you'll be subject to your ordinary income tax, in addition to 20% tax penalty. You can withdraw the money for any reason without penalty after age 65, but are subject to applicable income taxes.

Can I roll over or transfer funds from my HSA into an HSA?

Yes. Pre-existing HSA funds or monies may be rolled into an HSA and will continue their tax-free status. Transfer your funds by completing the Transfer form available on your HSA portal at www.flores247.com. Depending on your prior HSA custodian's processing time, it may take four to six weeks before your funds are available in your Flores HSA.

Can I control how the funds are invested?

Yes. Once your HSA cash account balance reaches the minimum amount required by the custodian, you can transfer funds to an HSA investment account. You can choose from a selection of mutual funds and setup and allocation model for future transfers like you would for a 401k plan.

Can I transfer funds between the cash and investment accounts?

Yes. You can transfer money between your HSA cash and HSA investment account at any time.

Can I enroll in a Health Care FSA and an HSA?

You, or your spouse if married, cannot contribute to a traditional Health Care FSA and an HSA at the same time. If available through your employer, you can elect to participate in a Limited Health Care FSA for dental and vision (and in some cases post deductible) expenses only.

I am enrolled in a Health Care FSA with a grace period. Can I contribute to an HSA at the start of my next plan year?

Yes, as long as your Health Care FSA balance is \$0.00 by the last day of your plan year. If you have a balance in your account on the last day of your plan year, you must wait until the first day of the month following the end of your grace period to contribute to an HSA.