



March 2023

Employees on the district health insurance plan are eligible to contribute to a Health Savings Account

- Because we have a high deductible plan, members are eligible to contribute to a Health Savings Account (HSA).
- The district contributes \$700/year for single coverage and \$1,400/year for E+1 or family coverage to each full-time employee's HSA. These amounts represent half of your annual deductible.
- For 2023, the maximum amount that can be contributed to an HSA each year is \$3,850 for single or \$7,750 for +1 or family. This maximum amount includes both the district and employee's contribution. If you are 55 or older you can also put in an additional "catch-up" contribution of \$1,000. For more details [click here](#).
- Money contributed to your HSA and any investment earnings are not taxed as long as you spend it on eligible health care expenses. This means you can save a lot of money by paying for eligible health care expenses using your HSA!
- Eligible expenses include payment for health care services that apply to your deductible, but also a wide variety of other things, such as eye glasses, contacts, dental expenses (including orthodontics) and over-the-counter medications.
- HSA dollars do NOT expire at the end of the year. The money rolls over each year and you retain control of it. If you were to ever switch to a non-HSA eligible health plan (e.g., you change jobs or switch to your spouse's plan), you would no longer be able to contribute to your HSA, but you would still keep the money already there and be able to spend it on eligible expenses.
- Putting extra money into an HSA is a great tax-free way to save for retirement. You WILL HAVE medical expenses when you are retired, so why not pay for them tax free? HSAs are a tax-free "triple threat!" No payroll tax - like social security tax (6.2%) and medicare (1.45%) tax, no federal income tax (maybe 24% for the average teacher), no state income tax (about 8%), and zero tax on invested earnings as long as the HSA is used for qualified medical expenses.
- Information about HSAs, including [the form to start or change your HSA contribution](#), can be found on the [District's Benefits website](#).

There are ways you can save money on health care!

Because the district is self-insured, it is beneficial to everyone to minimize health care costs, as much as possible. Before a member has met their deductible, any savings directly reduces the amount paid out-of-pocket by the member. After a member has met their deductible, any savings reduces the amount paid by the plan. Because these costs are paid by premiums, all savings will help to minimize future premium rate increases.

Examples of ways that members can save on health care costs include:

- Choosing tele-medicine over office visits, when appropriate.
- Choosing an office visit or urgent care over the emergency room when appropriate.
- Choosing lower cost providers when available and appropriate. You can compare the costs of providers for various services by logging into your [PreferredOne](#) account and clicking on the “Medical Cost Tools” button. Click [here](#) to set up a PreferredOne account if you don’t have one already.
- Choosing lower cost pharmacies. CVS and Walgreens typically charge much higher prices for the same medication as compared to many other pharmacies. You can compare costs for your prescriptions by using [Rx Savings Solutions](#). Rx Savings Solutions will check for a variety of ways you can save money on your prescriptions and will help transfer your prescriptions to a new pharmacy if you choose to do so.
- Choosing generic drugs over brand-name drugs when available and appropriate.
- **Remember that any money you save on health care helps both you and the plan!**

Hi, my name is Sean Foley and I am a Math Teacher at JHS and BFT member. I am a BFT rep on the BPS health insurance committee. My purpose in putting this newsletter together is to help BFT members navigate their health insurance benefits.

Information about our Insurance and Benefits can be found on the [BPS website](#). Any questions about coverage, etc. would need to be directed to Preferred One, while any questions about enrollment, etc. would need to be directed to HR.