

Discovery Benefits

Convenience at your fingertips:



Members receive a debit card to pay for eligible expenses, saving time filing claims and waiting for reimbursement.



The Discovery Benefits website (www.discoverybenefits.com) provides members with information about account activity and resources to maximize their tax-savings benefits. For assistance logging into your account, please call Discovery Benefits at 866.451.3399.

Health Savings Accounts (HSA)

Discovery Benefits is the Health Savings Account (HSA) vendor.

- A Health Savings Account enables members enrolled in the High Deductible Health Plan to pay for covered medical, prescription, dental, and vision expenses with pre-tax dollars.
- HSAs provide an opportunity for long-term planning for medical costs. You own the money in the account. It does not expire with the plan year, and you can take it with you if you retire or leave employment with the State. The contributions you and the State make to the HSA grow with interest over time, if not used.
- Once you complete the terms and conditions to open an HSA with Discovery Benefits, you may receive an employer contribution from the State. If you already have an HSA set up with Discovery Benefits, you do not need to do anything additional to set up your account.
- You can elect or change a pre-tax payroll deduction to your HSA during Annual Enrollment or anytime during the plan year. The form to change your deductions during the plan year is available at <https://bhr.sd.gov/benefits/FY19Files/PayrollDeductionForm.pdf>.
- Employer contributions and payroll deductions will only be made to your HSA established with Discovery Benefits.
- In order for the State to send any contributions to Discovery Benefits, you must agree to the Terms & Conditions of the HSA and pass the US Patriot Act.
- Your coverage level at the time of enrollment (single or family) determines the employer contribution amount you will receive in FY21.
- The employer HSA contribution can only be made through payroll. You need to be receiving a paycheck and be benefit eligible to receive it. If you leave your employment from the State or discontinue medical coverage, you will no longer receive the State contribution to your HSA.
- If you have an HSA and pick a Medical Flexible Spending Account (FSA), the FSA will be a Combination FSA for dental and vision expenses. Your Combination FSA can only be used for medical and pharmacy expenses after you have reached your health plan deductible and submit a deductible verification form, which can be found at <https://bhr.sd.gov/benefits/active/health-plans/flexible-spending-accounts/index.html>.

Health Savings Account (HSA)

HSA MAXIMUM CONTRIBUTIONS

In addition to the State contribution, you may also make tax-free contributions to your HSA, up to limits established by the Internal Revenue Service (IRS). The following are the maximum contributions you can make to your HSA in calendar year 2020 according to IRS regulations.

	Employer	Employee	Total HSA Contribution 2020 calendar year*
Employee only	\$500	\$3,050	\$3,550
Employee + spouse and/or children	\$1,000	\$6,100	\$7,100 per household

* Catch-up contributions are allowed for individuals age 55 or older, and each individual age 55 or older can contribute an additional \$1,000 in calendar year 2020. Consult your financial planner or accountant for more information.

Are You Eligible to Make Contributions?

Not everyone is eligible to make contributions to a Health Savings Account. Tax situations and eligibility can vary with each employee, which is why it is recommended that you visit with your tax advisor to learn if you are eligible to make contributions. Your tax advisor will also help you determine how much you can contribute during the year.

You may not be eligible for an HSA if you:

- are covered by another health plan that is not a qualified High Deductible Health Plan (dual coverage);
- are covered by TRICARE;
- are a dependent on someone else's tax return;
- signed up for any Medicare coverage, including Parts A&B; or
- have a spouse contributing to a Medical FSA

If you have questions about HSA eligibility, please contact Discovery Benefits at 1.866.451.3399 or your tax advisor.

If you select the High Deductible Health Plan, you will be asked to select one of the four HSA options below. Each option is explained below to assist you in making the right selection when enrolling online.

Selection	Plan Description	Employee Contribution
<input type="radio"/>	I am not eligible for an HSA because of one of the five reasons above.	\$0
<input type="radio"/>	I am choosing not to have an HSA and I understand that I will not receive the State contribution	\$0
<input type="radio"/>	I want the State contribution (*if qualified) to my HSA, but I will not add my own pre-tax money to my HSA at this time.	\$0
<input type="radio"/>	I want the State contribution (*if qualified) to my HSA, and I would like to add my own pre-tax money to my HSA.	\$_____

*Your coverage level at the time of enrollment (single/family) determines the State contribution to your account. Additionally, members who did not complete the three wellness contributions will not receive the State contribution.