

# HEALTH SAVINGS ACCOUNT EMPLOYER "HOW-TO" CHECKLIST

WE MAKE  
THE COMPLEX  
SIMPLE

- Complete Employer Application
- Collect all employee Individual Sterling Health Services Administration Enrollment applications and Beneficiary Designation forms and attach to Employer Application (if applicable). Note: The Patriot Act requires an original application with "wet signature". We cannot accept fax applications.
- Complete list bill for initial deposit.
- Attach a check for the initial deposit. Check amount must match total on list bill. Check should be made payable to Sterling.
- HSA contributions are Federally tax free in all states. State taxes apply to HSA contributions and interest earned in AL, CA, and NJ. Consult your tax advisor for additional information and inform your payroll department so that contributions can be set up in accordance with your state HSA tax rules. (All HSA contributions must be reported on employee W2 forms, box 12 code W.)
- An HSA compatible Section 125 Plan, or POP document is required in order for HSA contributions to be made pre tax via payroll. State taxes apply to HSA contributions and interest earned in AL, CA, and NJ (even with a Section 125 or POP document). Please note special HSA contributions rules apply to 2%+ owners of S Corps, Sole Proprietorships, LLP, LLC or Partnerships.
- If you require an HSA compatible Section 125/POP plan document, please contact your Sterling sales representative.

**Please contact your Sterling Sales Representative for pick up of your enrollment materials. You can also mail them to the address below. It's also easy, convenient, and secure to enroll online by going to [www.sterlingadministration.com](http://www.sterlingadministration.com).**

**Mail the enrollment materials to:**

Attn: New Accounts Dept.  
Sterling  
P.O. Box 71107  
Oakland, CA 94612

**For Customer Services:**

**Toll-free:** 800-617-4729

**Email:** [customer.service@sterlingadministration.com](mailto:customer.service@sterlingadministration.com)

# HEALTH SAVINGS ACCOUNT EMPLOYER GROUP APPLICATION

## THE 4 RULES FOR SETTING UP A HSA:

1. You must enroll in a high deductible HSA compatible health plan
2. You cannot be enrolled in Medicare A, B, C or D
3. You must complete the individual enrollment form or enroll online
4. You cannot be claimed as a dependent on another person's tax return

## HOW TO SET-UP A HSA:

Choose a fee schedule: Standard \$8.75 (all inclusive) or Value \$2.50 (a la carte)

1. Calculate the maximum contribution amount per IRS regulations.
2. Note: If your HSA compatible health plan starts on any date other than January 1st, you are required to stay on the HSA compatible health coverage for one full year. Otherwise a 20% penalty and taxes will apply to any over contribution should you end your HSA coverage prematurely.
3. If the employer is contributing or allowing employees to contribute pretax via payroll deduction...
  - a. Employer must complete employer application and list bill.
  - b. Employer specifies how much will be contributed to each employee's account (HSA and/or fees).
4. Each account holder must then...
  - a. Complete individual application form by mail or enroll online.
  - b. Complete beneficiary designation form.
5. Note: Total contributions from employer and employee may not exceed the IRS annual limits.
6. Submit original completed forms with a check for the contribution amount and fees. Minimum amount required to set up an account is \$100 + one time set-up fee of \$15 per account for online group enrollment or \$25 per account for paper group enrollment + minimum required two months maintenance fees (2 x \$8.75=\$17.50 or 2 x \$2.50=\$5.00) to Sterling.
7. A "wet signature" is required on the enrollment forms (original required). Facsimile copies are not acceptable. Please enroll online at **www.sterlingadministration.com** or mail forms to:

Sterling  
P.O. Box 71107  
Oakland, CA 94612

8. HSAs are Federally tax free. State taxes may still apply. HSA contributions can be made pre-tax via payroll deduction if your employer offers a Section 125 Plan or deducted at the end of the year on an individual's 1040 tax return (above the line).

# HEALTH SAVINGS ACCOUNT EMPLOYER GROUP APPLICATION

Please attach this form to the initial deposit.

1. EMPLOYER INFORMATION		
<b>NAME OF EMPLOYER</b>		EIN - Taxpayer ID Number
<b>MAILING ADDRESS</b>	Address	
	City	State      Zip
<b>CONTACT INFO</b>	Name of Contact Person	
	Telephone Number	Email Address

2. HEALTH PLAN INFORMATION		
NAME OF HEALTH INSURANCE COMPANY / PLAN	ANNUAL DEDUCTIBLE AND AMOUNTS	EFFECTIVE DATE
	<input type="checkbox"/> Single Deductible \$ _____ <input type="checkbox"/> Family Deductible \$ _____	

3. INITIAL SERVICE FEES
<b>AMOUNTS DUE</b>
PLEASE COMPLETE THE ATTACHED LIST BILL. THE LIST BILL AMOUNT MUST MATCH THE INITIAL PAYMENT TO INSURE THAT CORRECT AMOUNTS ARE CREDITED TO EMPLOYEES.  TOTAL AMOUNT IS DUE WITH THE INITIAL ENROLLMENT. PLEASE MAKE CHECKS PAYABLE TO STERLING.

#### 4. PLANNED EMPLOYER CONTRIBUTIONS

<b>EMPLOYER'S REGULAR CONTRIBUTION AMOUNT</b>	Single Deductible \$ _____	Payments are planned (check one) : <input type="checkbox"/> Every Pay Period <input type="checkbox"/> Monthly <input type="checkbox"/> 1 <sup>st</sup> <input type="checkbox"/> 15 <sup>th</sup> <input type="checkbox"/> Quarterly <input type="checkbox"/> Annually <input type="checkbox"/> Not Regularly Planned <input type="checkbox"/> I will not contribute to my employee's HSA accounts, but will allow pre-tax payroll deduction for my employee's HSA contribution.	Method of payment: <input type="checkbox"/> Check <input type="checkbox"/> Payroll <input type="checkbox"/> Direct Deposit / Electronic Funds Transfer
	Family Deductible \$ _____		
<b>MONTHLY MAINTENANCE</b>	<input type="checkbox"/> Employer <u>WILL</u> cover Monthly Maintenance fees for employees. <i>Please select plan type below.</i> <input type="checkbox"/> Standard <input type="checkbox"/> Value	<input type="checkbox"/> Employer <u>WILL NOT</u> cover Monthly Maintenance fees for employees.	

#### 5. BROKER AGENT INFORMATION

<b>BROKER NAME</b>	_____		
<b>AGENCY NAME</b>	_____		
<b>MAILING ADDRESS</b>	Address _____		
	City _____	State _____	Zip _____
<b>CONTACT INFO</b>	Telephone Number _____		Email Address _____
	Sterling Representative Name (if applicable) _____		

#### 6. EMPLOYER SIGNATURE

_____	_____
Employer Signature	Date
_____	
Company Name	

# HEALTH SAVINGS ACCOUNT LIST BILL

The list bill is an Employer schedule of contributions to employee's accounts that include employer contributions and any individual contributions from employees' pre-tax payroll deductions. Fees are not considered contributions and will not be reported as such.

## List Bill of Contributions Submitted by an Employer

Name of Employer: \_\_\_\_\_

Sterling Group Account #: \_\_\_\_\_

Check Number: \_\_\_\_\_

Check Amount \$ \_\_\_\_\_

	NAME OF EMPLOYEE (Last name, First name)	CONTRIBUTIONS				TOTAL
		EMPLOYEE		EMPLOYER		
		Contribution	Fees	Contribution	Fees	
1		\$	\$	\$	\$	\$
2		\$	\$	\$	\$	\$
3		\$	\$	\$	\$	\$
4		\$	\$	\$	\$	\$
5		\$	\$	\$	\$	\$
6		\$	\$	\$	\$	\$
7		\$	\$	\$	\$	\$
8		\$	\$	\$	\$	\$
9		\$	\$	\$	\$	\$
10		\$	\$	\$	\$	\$
11		\$	\$	\$	\$	\$
12		\$	\$	\$	\$	\$
13		\$	\$	\$	\$	\$
14		\$	\$	\$	\$	\$
15		\$	\$	\$	\$	\$
	<b>TOTAL</b>					\$