

# health savings

accounts



Employer Guide

**FIRST AMERICAN BANK**

First American Bank is pleased to introduce our Health Savings Accounts (HSA). As you are aware, a High Deductible Health Plan (HDHP) combined with an HSA is an innovative way for your company to combat the rising costs of healthcare. We have developed very competitive HSA products, and we are interested in developing a relationship with you to offer our accounts to your employees.

### **Why choose an HSA?**

- The HDHP generally costs less than traditional health care coverage. Money saved on the insurance premium can be put into an HSA.
- Contributions to your HSA are tax deductible. IRS guidelines in 2012 allow max contributions up to \$3,100 for individuals and \$6,250 for a family plan. If you are over 55, you can contribute an additional \$1,000 "catch-up" to your HSA. If you have a spouse who is over 55, you must open a second account in order to take advantage of the catch up contribution.
- After age 65, HSA funds can be used for non-qualified expenses without penalty. Only income tax is assessed.
- Use the pre-tax funds in your HSA to pay for current medical expenses or expenses that your insurance may not cover including dental expenses, vision care, Medicare expenses, and long-term care. See publication 502 on the IRS website for a complete list of qualified expenses.
- Save the money in your HSA for future medical expenses.
- There is "no use it or lose it" philosophy – the HSA funds remain in the account from year to year. Even if your HSA compatible coverage ends, you can still use the funds tax free for qualified medical expenses.
- You are in control of your HSA. Funds belong to you even if you switch jobs, become unemployed, or change your medical coverage.

### **First American Bank offers two types of Health Savings Accounts:**

Our **Health Savings Account** is a free account\* which pays interest based on the balance in the account.

Our **Health SavingsPLUS Account** offers all of the benefits of our Health Savings Account; in addition it allows you to invest a portion of your HSA in a select group of mutual funds. \*\*

For over 30 years, First American Bank has operated on the philosophy that the needs of our customers come first, and we build our business one satisfied customer at a time. Our size and management philosophy make it possible for us to give you the best of both worlds: big bank financial services coupled with the personal attention only a smaller bank can provide. We place great emphasis on building strong customer relationships and we're driven to assist you with needs beyond the specific product at hand.

We can accommodate your HSA needs and look forward to working with you. Please don't hesitate to call our toll free HSA Help Desk (866) 449-1150 or locally (847) 952-3700, option "2", and then option "4".

\*A \$3.00 monthly fee will be charged if the customer elects to receive a paper statement. The fee will be waived if: 1) the customer elects to receive electronic statements only; or 2) a combined minimum average daily balance of \$2,000 is maintained between the checking portion of the Health Savings Account and an associated checking, NOW, savings or money market account. Member FDIC.

\*\*Disclaimer: Investors should carefully read the Fund prospectus, which includes information on the Fund's investment objectives, risk, as well as charges and expenses along with other information before investing or sending money. Funds in the investment portion of your Health SavingsPLUS account are not FDIC insured, May Lose Value and are Not Bank Guaranteed.

Neither First American Bank nor its subsidiaries (collectively "First American Bank") are registered investment advisors nor is First American Bank acting in the capacity of a registered investment advisor with respect to the offering of Health Savings Account ("HSA") investment options. Participation in the investment options is voluntary. Under no circumstances is First American Bank offering any of the HSA investment options and makes no representations with respect to the investment options offered.

First American Bank disclaims any and all liability, contingent or otherwise, for the performance of the investment options. Please see your personal financial advisor for personal investment advice.

## The Enrollment Process:

### Step 1: *Apply for a First American Bank HSA*

There are two convenient ways to apply:

- 1) Online at [www.firstambank.com](http://www.firstambank.com)
- 2) Contact your assigned HSA Account Manager if you require paper applications:  
Adam Fingerhut, (847) 586-2266 or [afingerhut@firstambank.com](mailto:afingerhut@firstambank.com)  
Meg Smadi, (847) 586-2293 or [msmadi@firstambank.com](mailto:msmadi@firstambank.com)

### Step 2: *Submit Applications to First American Bank*

- 1) Online Application
  - a. If your employee applies online, the account opening process has already begun.
  - b. First American can provide your organization a link that will allow your employees to apply online.
- 2) Paper Application
  - a. You will be in control of the account opening process for paper applications.
    - i. Collect all applications.
    - ii. Verify that all signatures and identification information has been completed. This includes issue and expiration dates, and the identification number for the primary identification.
    - iii. Submit all applications at the same time.

A checklist is provided with the application regarding identification information.

#### First American Bank - ID Information:

##### Primary Identification:

- U.S. Drivers License
- U.S. Passport
- U.S. State ID Card
- Foreign Passport
- U.S. Armed Forces Card
- Matricula Card

##### Secondary Forms of ID: (Necessary only if an individual has not passed our verification process)

- Any of the above forms of ID
- State Voters Registration Card
- State U.S. Birth Certificate
- U.S. Alien Registration Card
- U.S. Auto Registration Form
- Student ID Card
- Current Utility Bill

Identification information is required for the account signer and the additional signer (if applicable).

##### Identity Verification:

Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. Therefore, when your employees enroll in an HSA we will ask for name, address, DOB, and other information that will allow us to identify each individual. We may ask for Driver's License information or other identifying documents. All new accounts are verified through Chexsystems.

Submit applications by the following two methods:

- 1) By mail: First American Bank, Attn: HSA Processing Center  
P.O. Box 0794, Elk Grove Village, IL 60009
- 2) By fax: Attention: HSA Department (847) 264-2308

## **Transfers:**

Are your employees transferring their current HSA to First American Bank?

Our application contains all of the necessary information to transfer funds from another HSA. To ensure a smooth transition, please notify your HSA Account Manager if an employee will be transferring. Depending on the financial institution from which your employee is transferring, the process could take several weeks.

## **Step 3: Employer Verification Letter**

As part of the application please include an employer verification letter with your employee applications. The necessary elements of this letter are listed below. If we receive the letter at the time of application, this will expedite the process of opening your employee's accounts. If we do not receive the letter we will need to contact you or your employee.

### **Requirements for the Employer Verification Letter:**

- 1) Printed on your company's letterhead
- 2) Include the name, social security number, date of birth and address of the employee (multiple employees are allowed on a single employment verification form)
- 3) The signature or the Human Resource Manager, or other corporate officer
- 4) The title and phone number of the individual who has signed the form (see sample enclosed)

## **Step 4: Funding Options**

**EMPLOYERS:** There are three options available to fund your employees' accounts:

- 1) Automated Clearing House (ACH) - Preferred Method

The ACH transfer can be originated by your bank or a direct deposit payroll system. The payroll field for the Heath Savings Account is an additional deduction similar to your 401k. Please remember that although this type of account is titled Health Savings Account, the actual account type is a "checking account". It takes one business day and a maximum 48 hours for an ACH to post to the account. In order to send an ACH you will need the routing number and account numbers of your employees' HSA accounts.

*First American Banks' ABA Routing Number is 071922777.*

- 2) Ca\$hTrac (fees apply)

If you do not have the capability of direct deposit (ACH) and would like to deposit monies into your employees' accounts, you have the option of using our proprietary online business banking system "Ca\$hTrac". Ca\$hTrac will allow you to directly debit an operating account and credit employees' individual accounts within 48 hours. If you are interested in learning more, please contact your assigned HSA Account Manager.

- 3) Check

You can fund your employee's accounts by sending a check accompanied by a list of the employees' name and their account number (see sample enclosed). Please make the check payable to First American Bank. Please be advised that out of state checks can take up to five business days to process.

**EMPLOYEES:** There are two options available to employees who wish to contribute to their HSA:

- 1) Automatic Transfer - Preferred Method

Employees can complete the HSA Auto Savings form which will allow First American Bank to automatically deduct funds from the employee's personal checking or savings account on a one-time or recurring basis.

- 2) Check

A check made payable to the employee (account holder) or First American Bank can be mailed to the bank or deposited at any of our 49 branch locations.

## How to Contact First American Bank HSA Department

You may contact First American Bank's HSA Department through one of the following methods:

Mail: First American Bank  
Attn: HSA  
P.O. Box 0794  
Elk Grove Village, IL 60009

E-Mail: [HSA@FirstAmBank.com](mailto:HSA@FirstAmBank.com)

Phone: Toll Free (866) 449-1150  
Locally (847) 952-3700, select Option "2", and then Option "4"

Fax: (847) 264-2308

### Time Line

The entire account application process should not take longer than 5 business days if all the required information is provided.

- A debit card is ordered when we receive the completed applications\*.
- If your employee has requested checks, we will place the order when the account is funded.
- Checks and debit cards will arrive in 7-15 business days. If a deposit has not been made to the account, then the checks will be ordered upon receipt of initial contribution.

If you have any questions please feel free to contact our HSA Help Desk toll free at (866) 449-1150 or locally at (847) 952-3700, select option "2", and then option "4" or by email [HSA@FirstAmBank.com](mailto:HSA@FirstAmBank.com).

\*First American Bank has the right to refuse HSA debit card issuance.

Employees who enroll in the HSA e-Statement account must enroll in our Online Banking service within 90 days of account opening. If the employee fails to do so, the account will convert to our HSA Paper Statement account and a \$3.00 monthly fee will be charged. The fee will be waived if; 1) the customer elects to receive electronic statements only; or 2) a combined minimum average daily balance of \$2,000 is maintained between the checking portion of the Health Savings Account and an associated checking, NOW, savings or money market account.

**Sample Employer Verification Letter**

Your Company Letter Head

Date:

Your Name:

Your Title:

Your Address:

Your Phone Number:

Re: Employer Verification Letter

Mr. Adam Fingerhut,

This letter confirms that the following are employees and we are verifying their social security number, date of birth, and their respective addresses. This is the information we have on file.

Employee Name	Social Security	Date Of Birth	Home Address
Herman Munster	Include SSN	01/01/1970	1313 Mockingbird Lane; Erie, PA 13625
Barbara Smith	Include SSN	02/01/1948	1765 Main Street; Chicago, IL 60606

Regards,

<Physical Signature Here>

Name:

Title:

Address:

Phone Number:

# FIRST AMERICAN BANK

## Health Savings Account Employer Contribution Form

### Employer Contact Information

Company Name:	Address:
Contact Name:	City/State/Zip:
Phone Number:	Fax Number:
Federal Tax ID Number (TIN)	Email Address:

### Contribution Information

Date Contribution Mailed:	Contribution for period of (Month of, Week of):	
Contribution for Tax year:	Total Contribution Amount \$	Check #

There are three methods available to fund your employees' accounts:

**1) Automated Clearing House (ACH) - Preferred Method**

You may initiate a Direct Deposit (ACH Credit) to each of the employees' Health Savings Accounts by providing your payroll company with First American Bank's routing number: 071922777 and your employees' account number.

**2) Ca\$hTrac (fees apply)**

If you do not have the capability of direct deposit (ACH) and would like to deposit monies into your employees' accounts utilizing this method, you have the option of using our proprietary online business banking system "Ca\$hTrac". Ca\$hTrac will allow you to directly debit an operating account, established at First American Bank, and credit employees' individual accounts within 48 hours.

**3) Check**

You can also fund your employees' accounts by sending a check for the total deposit amount to the address listed below. Please make the check payable to First American Bank.

First American Bank  
Attn: HSA Department  
P.O. Box 0794  
Elk Grove Village, IL 60009

Employee Name	Social Security Number	Account Number	Employer Contribution Amount (Optional)	Employee Contribution Amount (Optional)	Total Contribution Amount
1			\$ -	\$ -	\$ -
2			\$ -	\$ -	\$ -
3			\$ -	\$ -	\$ -
4			\$ -	\$ -	\$ -
5			\$ -	\$ -	\$ -
6			\$ -	\$ -	\$ -
7			\$ -	\$ -	\$ -
8			\$ -	\$ -	\$ -
9			\$ -	\$ -	\$ -
10			\$ -	\$ -	\$ -
<b>Subtotals:</b>			\$ -	\$ -	\$ -
<b>Total Contribution Amount:</b>					