



**Better
Control**



Over



**Healthcare
Costs**



Roadways HSA
Health Savings Account

BPAS



The BPAS Difference

BPAS brings you a vertically integrated HSA solution where the recordkeeper, administrator, clearing firm, custodial, and customer service are all under one company, one call. We provide a cost-effective and worry-free HSA solution with efficiency, operational accuracy, superior customer service, and the highest levels of security available. Only BPAS can offer expertise in all facets of retirement plans and employee benefits. BPAS Roadways HSA offers:

- **Open architecture** investment platform
- **Single sign-on** for Defined Contribution (DC) and HSA
- **Same investment menu options** for DC and HSA
- **Online contribution** rate changes and tools
- **Level-compensation** arrangement (no hidden fees)
- **Seamless operational environment** with the latest technology and features in the marketplace
- Streamline technology and administration that eliminate time-consuming paperwork.
- Proactive and responsive service, with accurate, high-quality plan administration.
- **One-stop administration** means everything you need to set up and maintain an HSA can be done through BPAS. **One company. One call.**



An HSA that will make your life easier.

Who We Are

BPAS is a national provider of retirement plans, benefit plans, fund administration, and collective investment trusts. We support 3,800 retirement plans, \$100 billion in trust assets, \$1.3 trillion in fund administration, and more than 450,000 participants. With our breadth of services, depth of creative talent, and financial resources, we are well positioned to help our clients solve all their benefit plan challenges without the need to engage multiple providers.

One company. One call.

BPAS Family of Services

Plan Administration & Recordkeeping | Actuarial & Pension | Collective Investment Funds | Fund Administration | Fiduciary | Healthcare Consulting | IRA | Health & Welfare Plans | VEBA HRA | Institutional Trust

BPAS Specialty Retirement Plan Practices

Auto Enrollment Plans | Multiple Employer Trusts/Plans (MET/MEP) | Plans with Employer Securities | Puerto Rico Section 1081 Plans | VEBA HRA Plans | Cash Balance Plans | Collective Investment Trusts | Fund Administration

BPAS Subsidiaries

BPAS Trust Company of Puerto Rico | Hand Benefits & Trust | NRS Trust Product Administration | Global Trust Company

BPAS is a subsidiary of Community Bank System, Inc. (CBSI, NYSE: CBU).

As a solutions-oriented national practice, we are committed to “Solving Tomorrow’s Benefit Challenges Today.”

What is an HSA?

An HSA is a tax-advantaged medical savings account available to U.S. taxpayers enrolled in a qualified high deductible health plan (HDHP).

Put forward as part of the Medicare Modernization Act of 2003, the idea was to create a “consumer-driven health plan” concept.

HSAs offer consumers the opportunity to make conscious decisions on how to spend health care dollars. Because it’s their money at stake, they more carefully consider the costs and benefits of various healthcare-related procedures.

Unlike a flexible spending account (FSA), HSA funds roll over and accumulate year to year—there’s no “use it or lose it rule.” HSAs are owned by the individual so they’re portable and remain with the employee during employment and throughout retirement.

HSA Advantages

Contributions made to HSAs come from employees and employers. Employers may contribute on a non-discriminatory basis. Contributions are considered **triple tax exempt** because:

- 1 They’re made with pre-tax dollars
- 2 They accumulate tax-deferred over the employee’s career
- 3 They’re not taxed when used for qualifying expenses

Using tax-free funds for healthcare in retirement is a major advantage compared to the “tax-deferred” treatment of most DC plan distributions (excluding Roth). The HSA serves a dual purpose: allow employees to save for current and future health care costs, and preserve 401(k) balances for non-medical-related expenses during retirement years. Plus, HSAs also offer flexibility to pay for qualified expenses that may not be covered in standard insurance plans, like dental, orthodontic, vision, and other approved expenses.

Why Offer an HSA

Healthcare is a key benefit for attracting top talent. It’s also one of the most expensive. Paired with an HDHP, **HSAs can result in significant savings for employers.**

HDHPs typically come with lower insurance premiums than traditional insurance plans. Many employers contribute those premium savings to employee HSAs. Employees use the HSA to pay for deductibles, co-pays, coinsurance, and other eligible expenses now or save the funds for retirement.

With BPAS Roadways HSA administration, employers save money. Employees have more spending money per paycheck, save more money for retirement, and make money by investing.

Why wouldn’t you offer the BPAS Roadways HSA?



Although HSAs and 401(k) plans have similarities, the best strategy is to offer them in tandem to help employees save for their future.

How Do HSAs Work?

- The employer establishes an HDHP option along with a traditional health plan offering.
- During enrollment, employees may choose to enroll in the HDHP and determine how much money they'd like to contribute to the HSA (up to IRS limits).
- The employer determines whether to make contributions to the HSA (hint: some will direct part of their premium savings to the HSA as an incentive to participate).
- Payroll withholds contribution amounts and electronically sends funds to BPAS.
- Funds are traded into an account on behalf of each participant, with a default fund used (similar to a 401(k) or 403(b) plan).
- Participants **invest in the market on a "first-dollar basis"** and use an array of no-load mutual funds.
- Participants make secure investment changes online.
- Participants receive an HSA debit card to use for eligible healthcare expenses.
- The **program is "self monitored"** so if the participant is audited by the IRS, it will be his or her responsibility to demonstrate that funds were used for eligible expenses as defined under IRS Code Section 213(d).
- HSA deposits may be made by the employee, the employer, or anyone else on the employee's behalf.
- Employers may vary contribution amounts for employees with single vs. family coverage.



Ask us about how adding an HSA compatible Flexible Spending Account (Limited Purpose FSA) to your benefit offering can help employees save even more!

It's estimated that when average Americans reach age 67, they will face an estimated \$200,000 in medical costs over their retirement years. While it is a daunting figure, participating in an HSA can help employees build financial resources for retirement alongside their traditional 401(k), 403(b) or 457 plan. They just need to understand how.

At BPAS, we can help.



The Rules

There are a number of options and rules for making HSA contributions. We can help you understand the options and the tax implications. Here are a few key rules:

- Regardless of the method or tax savings, HSA contributions may only be made for persons covered under an HSA-eligible HDHP.
- All contributions to an HSA, regardless of the source, count toward the annual maximum set by the IRS.
- Deposits to an HSA become the property of the accountholder, regardless of the source of the deposit.
- Accountholders who lose eligibility or terminate the HDHP may no longer contribute to the HSA. They may, however, continue to use remaining HSA funds for qualified expenses.



Participants have a set of mutual funds into which they can direct investments. Through the BPAS true open-architecture investment platform, we offer quality investment menus across the full range of asset classes.



IRS Code Section 213(d) defines qualified expenses. Qualified expenses include deductibles, coinsurance, co-pays, prescription drugs, dental services, vision care, and more.



Employees may contribute to the HSA for a given tax year until the deadline for filing the individual income tax returns for that year, which is typically April 15.

Contribution and Out-of-Pocket Limits

	2021		2022	
	Individual	Family	Individual	Family
HSA Contribution Limit <i>(employee only or employer and employee combined)</i>	\$3,600	\$7,200	\$3,650	\$7,300
HSA Catchup Contribution <i>for participants over age 55</i>	\$1,000		\$1,000	
HDHP Minimum Deductibles	Individual \$1,400	Family \$2,800	Individual \$1,400	Family \$2,800
HDHP Maximum Out-of-Pocket Amounts	Individual \$7,000	Family \$14,000	Individual \$7,050	Family \$14,100

For the most current limits, visit u.bpas.com

Participant Service

Our commitment to providing a consistent, high-level of participant service sets BPAS apart. **We don't outsource any of our participant service functions.**

Our Participant Service team fields calls directly from participants to offer help with all types of questions, including account access or login questions, balance information, debit card matters, and more. Our fully staffed, US-based call center is powered by state-of-the-art technology, including call recording, next available routing, real time queue reporting, multilingual capabilities, 'request a callback' features and more.

Our Participant Service Center center operates from 8 am to 8 pm ET. We also offer a 24-hour Voice Response System (VRS) so participants can get immediate answers to automated information like balance details or distribution status.

Technology

We've invested in the best technology to ensure your experience with us is simple, smooth and secure. Online services include:

- 24/7 account management through our secure website and mobile app
- Online Resource Center
- Online enrollment wizard
- Same day/late day trading across funds with 4 pm (ET) cut-off time
- Online fund fact sheets and prospectuses
- On-demand statements and reports
- Plan level branding
- Interactive banner messaging
- Investment elections/reallocate account balance
- Debit card management
- Pertinent forms
- Legislative information
- Educational materials
- Plan documents

"Our commitment to providing consistently great customer service is what makes working with BPAS different."

In addition to our toll-free telephone service, participants can get answers 24/7/365 online and through email and voicemail.

We employ Spanish speaking representatives and offer translation services for more than 100 languages.



BPAS University

BPAS University (BPAS U) is a proprietary online library offering participants a diverse array of free planning tools, articles, calculators, videos, links, and more to guide them in their journey to a secure future.

The BPAS U mobile app puts account information into the palm of participants' hands allowing them to:

- Utilize a variety of free educational multimedia tools and resources
- Participate in **workshops and webcasts** to learn to apply critical financial concepts to their own lives
- Receive notification when new information is available to explore
- Access their secure online account along with forms, plan guides, regulatory updates, and more

Visit u.bpas.com to learn more.

Financial Wellness Center

We deliver a **multi-channel, holistic approach to financial wellness and participant education with coordinated in-person and technology-enabled learning opportunities**. Through the BPAS U Financial Wellness Center, employees enjoy free access to online tools and resources to help address all aspects of financial stresses. The platform delivers relevant content to participants based on their browsing activity to deliver a truly personalized education experience to help them achieve a state of financial well being.

A multi-channel, holistic approach to financial wellness and participant education with coordinated in-person and technology-enabled learning opportunities

Enrollment

Our technology **streamlines administration and eliminates time-consuming paperwork**. Plus, with our one-stop administration, everything you need to setup and maintain an HSA can be done through BPAS.

Compliance

We are experts in administering HSAs. We'll keep your plan in compliance and always keep you apprised of changing regulations and guidelines.

Security

We are dedicated to safeguarding data and have strict protocols on privacy, security, and transaction standards. These standards address who is authorized to access and control information, as well as protect information from accidental or intentional disclosure to unauthorized persons. We are fully HIPAA compliant. All data transactions including file transfers, administrative tasks, and web portal access are encrypted using industry standard encryption policies.

Debit Card

We offer debit cards as part of our standard service that makes accessing the HSA balance easy. There are no administrative fees charged to employees for the debit card. Participants simply pay for eligible expenses at the point of purchase just as if it were a credit card. Funds are automatically paid to the provider out of their HSA. No transaction fees. **No claim forms. No waiting.**





Tax Savings | Easy Online Forms | On-demand Reports
Secure Web Portals | Single Sign-on for DC and HSA | Open Architecture Investments
First-Dollar Investing | Free Mobile App | One Company | One Call

Let's Get Started.



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