



FEBCO, Inc. along with *Bancorp Bank* offers a full suite of financial service products and services. Personal products include checking, savings, money market, and *health savings accounts*, along with a full line of loan products.

Are you missing a piece to your **Benefits** puzzle????



H.S.A.

Eligibility / High Deductible Health Plan Minimums

The HSA can be used for employees under age 65 to pay for certain medical expenses when covered by high deductible health plans. Plans with deductibles of a minimum of \$1,000 for individual and \$2,000 for family are eligible. Individuals under the age of 65 are eligible to contribute to an HSA if they have a qualified health plan

Maximum Contributions

For 2012, the maximum you can contribute to a Health Savings Account is a \$3,100 for individuals with self-only coverage and \$6,250 for individuals with family coverage.

Contributions Not Tied to HDHP Deductibles

HSA contributions are no longer limited by the amount of your HDHP deductible. This means that even if you are covered by an HDHP with the minimum deductible (i.e., \$1,200 for individuals with self-only coverage or \$2,400 for individuals with family coverage), you may still contribute up to the full amount to your HSA (i.e., \$3,050 for individuals with self-only coverage or \$6,150 for individuals with family coverage in 2011).

On the other hand, if you purchase an HDHP with a deductible higher than the annual HSA contribution limit, your 2012 HSA contribution will still be limited to \$3,100 for individuals with self-only coverage or \$6,250 for individuals with family coverage.

Rollovers are Permitted

Rollover contributions from your HSA are permitted. Rollovers are not subject to the annual contribution limits.

Eligible Expenses

In addition to doctor's visits and medical treatment, the money can be used for prescription drugs, retiree health insurance, long-term care insurance, Cobra continuation coverage, health insurance for the unemployed, and other qualified medical expenses.

Qualified Medical Expenses Eligible for reimbursement

Acupuncture	Nursing
Air conditioner (when necessary for relief from an allergy or for relief from difficulty in breathing)	Obstetrician
Alcoholism treatment	Operating room costs
Ambulance	Ophthalmologist
Anesthetists	Optician
Artificial limbs	Oral surgery
Birth control pills (by prescription)	Organ transplant (including donor's expenses)
Blood tests	Orthopedic shoes
Braces	Orthopedist
Cardiographs	Osteopath
Chiropractor	Oxygen and oxygen equipment
Christian Science Practitioner	Pediatrician
Contact lenses	Physician
Contraceptive devices	Physiotherapist
Convalescent home (for medical treatment only)	Postnatal treatments
Crutches	Premiums for long-term care insurance
Dental treatment	Premiums for continuation coverage required by Federal law (COBRA)
Dental x-rays	premiums for insurance received while receiving unemployment compensation
Dentures	Prescription medicines
Dermatologist	Psychiatrist
Diagnostic fees	Psychoanalyst
Diathermy	Psychologist
Drug addiction therapy	Psychotherapy
Drugs (prescription)	Radium therapy
Eyeglasses	Registered nurse
Fluoridation unit	Special school costs for the handicapped
Guide dog	Spinal fluid test
Gynecologist	Sterilization
Hearing aid and batteries	Surgeon
Hospital bills	Telephone or TV equipment to assist the hearing impaired
Hydrotherapy	Therapy equipment
Insulin treatments	Vaccines
Lab tests	Vasectomy
Lead paint removal	Wheelchair
Lodging (away from home for outpatient care)	X-rays
Metabolism tests	
Neurologist	

FEBCO Inc. and **Bancorp Bank's** HSA product is an interest-bearing checking account with interest rates similar to money market rates. Once the account reaches a recommended target balance of \$2,500 the customer may elect to invest the funds via PCM or NFS.

FEBCO and Bancorp Bank's core account has the following features:

- **No account set-up fees**
- **Highly competitive interest rates earned from day one**
- **Free first order of checks**
- **Free full online account access to monitor savings and expenses**
- **Free online Bill Payment**
- **Low monthly account maintenance fee**
- **Free Customer Service available 24 hours a day, 7 days a week**
- **Optional line of credit available to cover HSA shortfalls**
- **Ability to invest balances over \$2,500 through our investment services provider**

Other Features:

- Charge for distribution using withdrawal form instead of check or debit card: **\$0**
- Check transactions: **\$0**
- Internet balance inquiries: **\$0**
- Internet statement requests: **\$0**
- 800 number phone balance and transaction inquiries: **\$0**
- Account close fee: **\$0**
- Request copy of debit card transaction merchant receipt fee : **\$0**
- Receipt of initial 1099SA, 5498SA or year-end status fee: **\$0**
- Request additional copies of 1099, 5498 or yearend status fees: **\$0**
- Failure to notify financial institution of address change fee: **\$0**

Website:

FEBCO strives to provide self-service tools to fit each Participants unique needs. Customers are offered full online access to their accounts.

www.febco.com

Debit Card Technology:

We believe that debit cards will continue to play an important role in the adoption of Consumer Directed Healthcare (CDH) products. In addition to the anticipated growth of **HSA** accounts and corresponding debit cards, we expect further growth of **HRA/FSA** accounts. The shift toward CDH products with higher deductibles requires members to manage greater out-of-pocket expenses resulting in an increased demand for accounts with a debit card component and associated reporting.

We can accommodate this growing need with the following services from our card:

- Healthcare Membership card used as a MasterCard card for debit transactions against the HSA, FSA and HRA accounts
- Data capture at provider and retail locations
- Real Time claims adjudication/substantiation through debit card use for HRA And FSA transactions
- Card Stacking (One card to access HSA, FSA and HRA funds as described in Plan documents)
- Fully integrated PBM functions for real time verification of eligibility and payment processing of FSA and HRA pharmacy transactions

Customer Service Support:

Our live Customer Service Representatives are able to assist customers with account balances and new card requests. We strive to provide self-service tools to fit each Participants unique needs. Customers are offered full online access to their accounts.

Dedicated Resources:

FEBCO, Inc. along with **Bancorp Bank** has assembled a team of specialists who have experience with banking administration and the rules and regulations surrounding HSAs. We have formal procedures to open accounts, close accounts, and transfer accounts to other trustees or custodians. Our Client Relationship division is made up of individuals who have several years' experience in banking and management.

Risk Performance Guarantees:

Bancorp Bank as the bank is responsible for all banking transactions and processes. **As such Bancorp Bank indemnifies our partners.**

Still have questions, feel free to contact us.

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