

Information about Health Savings Account (HSA) Contribution Requirements under the Affordable Care Act (ACA)

Our goal is to help you understand how the contributions you make to your employees' Health Savings Accounts (HSAs) can affect the actuarial value of your health plan. Under the Affordable Care Act (ACA), plan sponsors are required to offer health coverage to their employees that falls within one of four metallic levels of coverage. Each metallic level has its own range of permitted actuarial values. UnitedHealthcare, as a health insurance issuer, is also obligated to only offer health coverage that falls within the four metallic levels for our Oxford products.

It is important to understand that the amount of the contributions that you make to your employees' HSAs have an impact on the actuarial value of every plan design we offer to you.

Why this is important

Making sure that the employer contribution to HSAs fall into the designated dollar amount ranges helps ensure that your plan meets the actuarial value for the metallic level of coverage you have elected for your health plan offering and that you maintain compliance with the requirements of the ACA. Failing to make the contributions as indicated may mean that your selected plan falls below the actuarial value for the metallic level while funding at an amount above may mean the actuarial value for the metallic level has been exceeded. In either circumstance your plan will not be compliant with the requirements of the ACA.

We are offering you the plan you have chosen for your employees based on the understanding that your contributions to your employees' HSA will be made as set forth in the proposal for new customers or, for existing customers, in the renewal plan documents. In addition, contributions must be available to employees on the first day of the plan year.

If you do not intend to make the contributions or intend to change the amount or timing of the contributions, it may mean that your plans will not fall within the appropriate metallic level and thus may not be compliant with the ACA. We want to ensure that does not happen so are asking that you please contact your UnitedHealthcare representative to let them know of any changes to your plan or to the amount and/or timing of the HSA contributions you intend to make.

Please take these steps to ensure compliance

1. If you are a new customer, please review the contribution amounts for the plan you have selected. These amounts are shown in your final proposal. If you are an existing customer, please review the contribution amounts that are shown in your renewal plan documents. If you do not have the appropriate document, please contact your UnitedHealthcare representative, who can provide the information to you.
2. Please make the required HSA contribution so that it is available on the first day of the plan year.
3. Please inform us at least 30 days in advance of any plan changes to your plan.

We are committed to ensuring the ACA is implemented successfully and that you, as our customer, know the necessary actions to take. We are here to help you throughout this process, so if you have questions please contact your UnitedHealthcare representative.

