

## HSA PRORATION

Company contribution opportunities:

- **Automatic Seed:** Full lump sum amount earned if actively enrolled in medical benefits and HSA is opened/active within the first quarter (on or before March 31). Amount is prorated quarterly thereafter. Associate will receive additional contribution for each calendar quarter they remain actively covered (through the 4<sup>th</sup> quarter). The quarterly payments commence the quarter following the lump sum payment (provided they remain actively employed and covered). The Associate will not receive both a lump sum and a quarterly contribution within the same calendar quarter.
- **Wellness Incentive:** Full amount earned if qualified in first quarter (on or before March 31). Amount prorated each calendar quarter thereafter.

### AUTOMATIC SEED - LUMP SUM\*

Benefits Eligible Month	Seed (\$) Associate-Only Coverage	Seed (\$) Family Coverage
Q1: January - March	\$250.00	\$500.00
Q2: April - June	\$187.50	\$375.00
Q3: July - September	\$125.00	\$250.00
Q4: October - December	\$62.50	\$125.00

### WELLNESS INCENTIVE \*\*

Month Completed	Seed (\$) Associate-Only Coverage	Seed (\$) Family Coverage
January - March	\$250.00	\$500.00
April - June	\$187.50	\$375.00
July - September	\$125.00	\$250.00
October - November	\$62.50	\$125.00
December	N/A	N/A

\* Associate must be enrolled in the Gold or Silver medical plan to be eligible for a company contribution. The HSA must be open at time of eligibility. Quarterly HSA seeding will be made each subsequent quarter (up to 3) in April, July and October to Associates that remain actively employed and covered. Deposits will be made as soon as administratively possible.

\*\* Wellness Incentive contributions may be prorated on a quarterly basis based on date of eligibility or Wellness Incentive requirement

### AUTOMATIC SEED – QUARTERLY CONTRIBUTION\*

Benefits Eligible Month	Seed (\$) Associate-Only Coverage	Seed (\$) Family Coverage
Contribution Amount	\$50.00	\$100.00
Q1: January - March	deposited in Q2, Q3 and Q4	deposited in Q2, Q3, Q4
Q2: April - June	deposited in Q3 and Q4	deposited in Q3 and Q4
Q3: July - September	deposited in Q4	deposited in Q4
Q4: October - December	None (lump sum only)	None (lump sum only)

completion. Associates must complete a Health Assessment and Biometric Screening to be eligible for the Wellness Incentive. If you cover a spouse/domestic partner on an HBC medical plan, he/she also must complete both requirements to be eligible for the full Wellness Incentive. If only the Associate completes the Wellness Incentive requirements, they will only receive the Associate Only amount. If only the spouse/domestic partner complete the requirements, no incentive will be earned. The Wellness Incentive is only available to Associates enrolled in the Gold or Silver medical plan, and the Associate must be actively employed at time of payment.

### **Associate-Only Coverage Scenarios**

Mark has Associate-only coverage. He is eligible for benefits on February 1 and opens an HSA account. He completes the Wellness Incentive requirements on March 12. Mark receives the full automatic seed (\$250.00) and the full wellness incentive (\$250.00). Mark remains covered through the end of the year and also receives the quarterly seeds of \$50 after April 1, July 1 and October 1 for a total HBC contribution of \$650.00.

Amy has Associate-only coverage. She elects coverage during Open Enrollment and opens her HSA at the start of the plan year (Jan 1). She completes her Wellness Incentive requirements on May 10 and remains covered through the end of the year. Amy receives the full automatic seed (\$250.00), three Quarterly seeds (\$150.00) and a prorated Wellness Incentive based on completion of requirements in quarter 2 (\$187.50) for a total HBC contribution of \$587.50.

### **Other Coverage Tier Scenarios**

Jack has Associate + Spouse/DP coverage. He is hired on October 8 and is not eligible for benefits until January 1 of the following plan year. Once eligible, Jack enrolls in benefits and opens his HSA within the first quarter of the year. He and his spouse/DP also completed the Wellness incentive requirements February 10. He will receive the full automatic seed (\$500.00), the full Wellness Incentive (\$500) and all subsequent quarterly contributions throughout the year (\$300) for a total contribution of \$1,300.

Chloe has Associate + Child(ren) coverage. She is eligible for benefits on September 1, 2017 and opens an HSA. She completes the Wellness Incentive requirements on September 12. She receives a prorated automatic seed (\$250.00), one additional quarterly seed (\$100.00) and a prorated Wellness Incentive based on completion of requirements in quarter 3 (\$250.00). Total \$600.00.

Eric has Associate + Spouse/DP coverage and opens his HSA on Jan 1. Eric completes his wellness incentive requirements on March 15. His DP does not complete the Wellness Incentive requirement. Eric receives the full automatic seed (\$500.00) in January, three additional quarterly seeds (\$300.00) and the full **Associate-only** Wellness Incentive (\$250.00) for a total contribution of \$1,050.

Max has Associate + Family coverage and opens his HSA account on January 1. Max never completes his wellness incentive requirements but his wife does on January 22. Max receives the full automatic seed (\$500.00), three quarterly seeds (\$300.00), but NO wellness Incentive because he (the associate) did not complete the Wellness Incentive requirements. Total \$800.