

**AMERICAN GREETINGS
HEALTH SAVINGS ACCOUNT (HSA)**

TIMING OF EMPLOYER CONTRIBUTIONS FOR NON UNION & CLEVELAND UNION

ENROLLING EFFECTIVE JANUARY 1st	NEWLY ELIGIBLE	QUALIFYING LIFE EVENT (QLE)	
		Enrolled Associates	Not Enrolled
	New Hire (enroll in Consumer Plan ON or AFTER January 1)	Increase or decrease level of coverage during year	Electing coverage
<u>Full Employer Contribution</u> is divided by the number of pays remaining in the current plan year after the HSA is opened	<u>Pro-rated Employer Contribution</u> is adjusted and prorated by the remaining pays in the year		

Full Employer Contribution - is the full employer HSA contribution amount

Pro-rated Employer Contribution - the proration is calculated by taking the full employer HSA contribution amount and dividing by the total number of pays in the calendar year, then multiplying by the number of pays remaining from the effective date of coverage (or change in coverage) to December 31 of the plan year

EXAMPLE:

The full employer contribution is \$600 for Family Coverage in Consumer Plan (or \$50 per month or \$25 per semi-monthly pay)

Associate not covered January - March. Associate starts coverage April 15 (April 15 to December 31 = 15 pays remaining for semi-monthly);

Pro-rated Employer Contribution = 15 pays x \$25 = \$375

The \$375 would be divided by remaining pays and deposited in HSA once opened on a per pay basis.

NOTES

- (1) Associate must be enrolled in the Consumer Plan or Enhanced Consumer Plan
- (2) HSA must be opened in the current plan year to receive current plan year employer contribution
- (3) Associates on COBRA or severance do not receive HSA contributions
- (4) Associate has to be enrolled in coverage to receive the deposit
- (5) Deposits will be made on the closest payroll following the opening of the HSA