

# HSAs & Medicare



**Medicare Enrollment Ends HSA Eligibility**  
*Previously contributed funds can still be used.*

*ONLY applies to Health Savings Accounts (HSA)- not to Flexible Spending Accounts (FSA) or Health Reimbursement Arrangements (HRA).*

## 3 Common HSA - Medicare Problems

### **Mistakenly Enrolled in 'Free' Part A at Age 65**

*If not receiving Social Security, contact local SSA office promptly to see if Part A can be withdrawn. Any Part A benefits received must be repaid.*

### **Calculating the Pro-Rated Final Year Maximum Contribution**

When Medicare Part A has been deferred, it will be retroactive to 6-months from the 1<sup>st</sup> of the month when it was requested. That retroactive date is used to determine the number of eligible months in the final year.

The final-year pro-rated maximum contribution is calculated by dividing the number of eligible months by 12 (ex. April =  $4/12 = 25\%$ ).  
*Deposits up to that limit can still be made until that year's tax-filing deadline.*

### **When to stop HSA payroll withholding if planning Medicare enrollment**

To avoid overfunding the final year of the HSA, it's generally recommended employees request that any withholding stop 6-months prior to the planned Medicare Part A start date (retroactive dating covered above). Tax deductible contributions can still be made personally up to that year's filing deadline.

Questions?

**Contact your HSA program administrator**

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