



COMMONLY ASKED QUESTIONS: MEDICARE & HEALTH SAVINGS ACCOUNTS



Who can contribute to an HSA?

You must meet **all three requirements** to contribute:

- » You are covered by an HSA-qualified health plan. It does not matter if your spouse or dependents have other coverage.
- » You have no other health insurance aside from an HSA-qualified health plan.
- » You are not claimed as a dependent on someone else's tax return.



What are examples of disallowed coverages that would make me ineligible for contributions to an HSA?

- » Participating in or contributing to general flexible spending accounts (FSA) or health reimbursement accounts (HRA) for any kind of medical expense before you meet the HSA-qualified health plan's deductible
- » A spouse being enrolled in an FSA or HRA if it can pay for qualified medical expenses before meeting the HSA-qualified health plan's deductible
- » Employer payments or reimbursements for medical expenses before meeting the HSA-qualified health plan's deductible
- » Medicare enrollment
- » Health benefits or prescription drugs received from the VA or one of its facilities in the last three months
- » TRICARE

NOTE: If you enroll in Medicare after your 65th birthday, your Medicare coverage start date will be retroactive 6 months from when you sign up. As such, you may want to consider avoiding HSA enrollment if you plan on enrolling in Medicare in the near future.



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How does having Medicare impact my group health plan coverage?

It doesn't. Medicare entitlement/enrollment does not make you ineligible for health insurance coverage. In most cases, the AAPS health insurance plans pay for care *before* Medicare for people with both coverages.



How does having Medicare impact my ability to contribute to a health savings account?

As an AAPS employee, having any part of Medicare disqualifies both you and your employer from contributing to your HSA. While all HSA contributions must cease once you enroll in Medicare, you may still invest the money already in the account and take distributions for qualified medical expenses.

NOTE: If your dependent has Medicare, but you do not, you may remain eligible to contribute to an HSA.



May I delay enrollment in Medicare?

Yes, but please be aware of the following:

- » Most people get Medicare Part A when they reach 65. To delay enrollment in Medicare Part A, contact the Social Security office before your 65th birthday.
- » Medicare Parts B and D can be delayed past age 65, but you will face penalties for not enrolling when you are first eligible. You can delay the penalty by still working and being enrolled in an employer-sponsored health insurance plan.
- » You can enroll in Medicare Part A at any point after you turn 65. Medicare Parts B and D can only be enrolled in during certain times of year.
- » Refer to the **Medicare.gov** website or the **Medicare & You 2026** official U.S. government Medicare handbook for more details.