

# HSA eligibility for veterans



Veterans working in civilian jobs are eligible to contribute to a BenefitWallet HSA as long as certain criteria are met and the veteran is covered by an HSA-qualified medical plan and they are not claimed as someone else's tax dependent.

## Three-Month Rule

Veterans using the Veteran's Administration (VA) for hospital care or medical services must meet special eligibility rules to determine if they are qualified to contribute to an HSA. In short, veterans may contribute to an HSA if they only receive care at a VA facility for service-connect treatment or preventative care for dental or vision. If a veteran receives treatment for a non-service-connected injury or illness whether short-term or long term, eligibility to contribute to an HSA stops until a three-month period has passed without treatment for non-service-connected issues at a VA facility.

### Veteran contribution special eligibility rules

1. If a veteran receives **ongoing non- service-connected treatment** at a VA facility, HSA contribution eligibility would cease until a three-month period has passed without treatment.
2. If veteran is impacted by the three-month rule, their annual contribution amount is reduced by number of months they were ineligible. Use the worksheet on the next page to determine eligibility for the current plan year.

## Veteran contribution special eligibility rules *(continued)*

3. If a veteran receives **ongoing non- service-connected treatment** at a VA facility, HSA contribution eligibility would cease until a three-month period has passed without treatment.
4. If veteran is impacted by the three-month rule, their annual contribution amount is reduced by number of months they were ineligible. Use the worksheet on the next page to determine eligibility for the current plan year.

## Veteran Contribution Calculation Worksheet

### Calculate your HSA Contribution Limit for the Year IF You receive Non-Service Connected Care\* at a VA Facility.

**\*This does not include preventive dental or vision care.**

According to IRS rules, HSA contribution limits must generally be prorated by the number of months you are eligible to contribute.

Eligibility is based on your coverage status for the 12 months of the plan year minus the months you received non-service connected care at a VA facility plus three months.

- **Step 1:** In the chart below, chose the column that describes your HSA in Row A.
- **Step 2:** Determine the number of months you received non-service connected care
- **Step 3:** Enter the following number in Row C based on your answer in Row B.

<b>0</b> Enter 0	<b>3</b> Enter 6	<b>6</b> Enter 3	<b>9</b> Enter 0 Carryover 0
<b>1</b> Enter 8	<b>4</b> Enter 5	<b>7</b> Enter 2	<b>10</b> Enter 0 Carryover 1
<b>2</b> Enter 7	<b>5</b> Enter 4	<b>8</b> Enter 1	<b>11</b> Enter 0 Carryover 2
			<b>12</b> Enter 0 Carryover 3

- **Step 4:** Multiply Row C x Row D
- **Step 5:** Write your answer in Row E
- **Step 6:** Row F: Carry-Over prohibited months from 2023 per the Three Month Rule. Write in 0, 1, 2, or 3. If you received VA services in the last month of the last plan year AND you received VA services in the first month of the plan year this year, or you did not receive non-service connected services in 2023, put 0.
- **Step 7:** Multiply Row E x Row F. (ExF) Enter your answer in Row G.
- **Row H:** Subtract Row G from Row E (E-G). **This is your Estimated 2024 Contribution Limit.** Final amounts should be reviewed with your tax or financial advisor.

Row A: HSA Type	Individual HSA Age 54 and younger	Individual HSA Age 55 and Older	Family HSA Age 54 and Younger	Family HSA Age 55 and Older
Row B: Number of months you receive or anticipate receiving non-service connected care in 2024 at a VA facility				
Row C: Assigned number from the chart in Step 3				
Row D: Monthly limit in 2024	345.83	429.16	691.66	775.00
Row E: Multiple Row C X Row D)				
Row F: Carry Over Months from 2023 (0,1,2 or 3)				
Row G: Carry Over Contribution Reduction (Row F x Row D)				
Row H: Subtract Row E from Row G (E-G) This is your contribution amount.				

