

What happens to my HSA when I, or my Spouse, enrolls for Medicare?

If you have chosen to enroll in Medicare you are no longer eligible to contribute to your HSA. Any contributions made after your Medicare coverage begins may incur a tax penalty.

Note that Premium-free Part A coverage begins 6 months back from the date you apply for Medicare (or Social Security/RRB benefits), but no earlier than the first month you were eligible for Medicare. Please consult a tax advisor regarding your eligibility to contribute and any potential tax implications. For more information on Medicare, visit the State Health Insurance Assistance Program website, or contact by phone 1-800-MEDICARE.

If you are currently contributing to an HSA as a family plan, and your spouse enters in to Medicare alone while you remain in a high-deductible health plan (HDHP), then you would be deemed a self-only participant for your HSA contribution limits. You would be allowed to continue contributing to your HSA up to the appropriate IRS limit for self-only coverage, and use your HSA funds to pay or be reimbursed for qualified medical expenses.