

# Health Savings Brokerage Account (HSBA)

## Frequently Asked Questions

### What is the MEBS Health Savings Brokerage Account?

The HSBA is an individual brokerage account offered by Charles Schwab that is integrated into the MEBS Participant Portal.

### Who should choose to invest through the HSBA?

The HSBA is for knowledgeable investors who understand the risks associated with many of the investment choices available through the HSBA and who are committed to staying invested for the longterm. The HSBA is designed for participants who seek more flexibility, increased diversification, and a greater role in managing their HSA. Participants must meet the required cash balance before investing.

### How does the HSBA differ from a typical brokerage account?

The HSBA is different from a typical retail brokerage account because it is part of the participant's health savings account (HSA). Since the participant's assets are part of a HSA, the investments are tax-deferred. The HSBA is only able to be funded through the participant's HSA.

### What investments are available through the HSBA?

The participant can access more than 8,500 mutual funds from over 630 well-known fund families. Over 3,900 mutual funds are available with no-loads and no-transaction fees, including over 2,700 load-waived funds typically available only to institutional clients. The participant will also have over 500 commission-free exchange-traded funds through Schwab ETF OneSource. Other investments include individual stocks, bonds, and other fixed income investments and money market funds.

### How does a Participant open a HSBA?

The following are the steps to open an HSBA. Note, the participant must have a balance in their HSA Investment Account, prior to opening an HSBA.

- From the MEBS Participant Portal, the Participant can go to the Manage Investments page and select to enroll in the Health Savings Brokerage Account.
- The participant then follows the steps to complete the online enrollment.
- Upon submitting the online application, a new HSBA account number will be displayed, and the participant will be re-directed to [www.schwab.com](http://www.schwab.com).
- From the [www.schwab.com](http://www.schwab.com) login page, the participant needs to select "Register" to complete the set up for online access. The participant will need to input their SSN, new HSBA account number, date of birth, and home phone number for this step.
- This completes the enrollment process.
- The participant will be notified the next business day via the Message Center on the MEBS Participant Portal that the Health Savings Brokerage Account is available.
- The participant will receive welcome materials via mail within a few days.

### How can the participant log into the HSBA?

The participant can access their HSBA from the Manage Investments page on the MEBS Participant Portal once the enrollment is completely processed. There will be a 'Manage' HSBA option from the list of items on this page. In addition, the participant can log in directly from [www.schwab.com](http://www.schwab.com).



### **Can a participant view their other Schwab investment accounts while in the Schwab portal?**

Yes, the participant will be able to navigate and view any other investment accounts that he/she may have with Schwab. However, the HSBA is designed to only allow transfers to/from the participant's Health Savings Account, so the system will not allow any transfers between the HSBA and another Schwab account.

### **How does the participant transfer their HSA money into the HSBA?**

There are two methods in which the participant can transfer HSA funds to their brokerage account.

- The participant can transfer already invested funds from the Rebalance Portfolio/Fund to Fund Transfer page. This option will liquidate selected fund(s) and transfer them to the brokerage account.
- The participant can use the Manual Investment Transfer functionality (if enabled) from the Manage Investment page or from Make HSA Transaction page on the MEBS Participant Portal. This option allows participants to move HSA Cash directly into the brokerage account.

### **Is there a minimum transfer amount required?**

When using the Manual Investment Transfer option, there is a \$100 minimum.

### **What does the Health Savings Brokerage Account Cost?**

Transaction fees and trading commissions are outlined in the Charles Schwab Pricing Guide for Retirement Plan and Health Savings Accounts included in the welcome materials provided to the participant.

### **What information is available to help the participant learn and select investments?**

- Powerful proprietary research tools, including Schwab Equity Ratings<sup>TM</sup>4, the Schwab Mutual Fund OneSource Select List R1, and the Schwab ETF OneSource Select List<sup>TM</sup>2. In addition, Schwab provides research, CFRA, Morningstar<sup>®</sup>, Reuters, and MarketEdge<sup>®</sup> on [www.schwab.com](http://www.schwab.com).
- Equity, mutual fund, exchange-traded fund, and fixed income screener tools to help the consumer choose their investments.
- Knowledgeable HSBA Contact Center representatives who can help with investing information.
- Find information about HSBA at [www.schwab.com/hsba](http://www.schwab.com/hsba).
- Over 350 Schwab branch offices nationwide to help the participant with their investment needs.



### **How does the participant invest the money in their HSBA?**

If cash is transferred from the HSA cash account into the HSBA, it can take up to three business days for the cash to be available for investment in the HSBA. If mutual funds are sold and the proceeds are transferred to the HSBA, it can take up to four business days for the cash to be available for investment in the HSBA. Once the cash is available in the HSBA, it can then be used to purchase securities.

### **Can a participant make direct payroll contributions to the HSBA?**

The participant cannot make direct payroll contributions to the HSBA.

### **How does the participant transfer funds out of the HSBA back into their HSA?**

The participant sells holdings in their HSBA. The participant can then transfer the cash from the HSBA into the HSA cash account by selecting the Manual Investment Transfer option on the MEBS Participant Portal.

### **How does the participant transfer funds out of the HSBA back into their HSA?**

The participant sells holdings in their HSBA. The business day after the HSBA sale has settled, the cash will be available on the MEBS participant portal. The participant can then transfer the cash from the HSBA into the HSA Investment Account by selecting the Rebalance Portfolio/ Fund-to-Fund Transfer page in the participant portal. On this page, the participant selects from the HSBA fund and transfers to other mutual funds.

### **Is there a HSBA statement?**

Schwab will mail an HSBA statement to the participant each month, regardless of activity. The participant can also see their statement, balance, and view all transactions made within the last two years by logging into [www.schwab.com](http://www.schwab.com). Participants can also enroll in the paperless option and electronically receive their statements, trade confirmations, and other regulatory materials via email.

To learn more, visit [McGriff.com](http://McGriff.com) or contact:



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