

Health Spending Accounts are a great way to save on your health care costs. Consider the available health spending accounts when you compare your medical options.

**PayFlex** administers all spending accounts.

## Health Spending Accounts

An Overview of the Health Spending Accounts

Type of Health Spending Account	Health Reimbursement Account (HRA)	Health Savings Account (HSA)	Health Incentive Account (HIA)	Health Care Flexible Spending Account	Limited Purpose Flexible Spending Account
<b>Works with this medical option</b>	Standard Out-of-Area	Core	Value	Standard Out-of-Area Value	Core
<b>How it's funded</b>	Healthmatters Rewards + AA introductory contribution*	Healthmatters Rewards + Employee pre-tax deductions	Healthmatters Rewards	Employee pre-tax deductions	Employee pre-tax deductions
<b>2013 contributions</b>	Healthmatters Rewards: Employee Only amount: Up to \$250 Employee + Covered Spouse/Domestic Partner: Up to \$500  AA introductory contribution*: Employee Only coverage: \$375 Employee + Covered Spouse/Domestic Partner: \$750	Healthmatters Rewards Employee Only amount: Up to \$250 Employee + Covered Spouse/Domestic Partner: Up to \$500  Pre-tax deductions: Individual coverage: Up to \$3,000** Family coverage: Up to \$5,950** If age 55 or over: Additional \$1,000	Healthmatters Rewards:  Employee Only amount: Up to \$250 Employee + Covered Spouse/DP: Up to \$500	Up to \$2,500	Up to \$2,500
<b>Can be used to pay</b>	Eligible medical and prescription drug out-of-pocket expenses	Eligible health care out-of-pocket expenses ... now or in the future	Eligible medical and prescription drug out-of-pocket expenses	Eligible health care out-of-pocket expenses  Funds must be	Eligible dental and vision out-of-pocket expenses  Pays dental and vision expenses and the HSA pays medical

				used first before HIA or HRA	and prescription drug expenses
<b>For a list of eligible expenses, see:</b>	Medical section of Employee Benefits Guide on eHR	Medical section of Employee Benefits Guide on eHR	Medical section of Employee Benefits Guide on eHR	IRS Publication 502	IRS Publication 969 and IRS Publication 502
<b>If you leave American</b>	Remaining account balance is forfeited unless you are enrolled in the Standard medical option through COBRA. Then you can continue to use the remaining funds in the account for eligible medical expenses.	Remaining account balance is yours to take with you	Remaining account balance is forfeited unless you are enrolled in the Value medical option through COBRA. Then you can continue to use the remaining funds in the account for eligible medical expenses.	May submit claims for eligible expenses incurred through the end of the month in which you leave AA or incurred through March 15 of the year after you leave AA if you continue FSA coverage under COBRA; any remaining account balance is forfeited	

\* For 2013 only.

\*\* Assumes you will earn the maximum Healthmatters Rewards in 2013: \$250 for Employee and \$500 for Employee + Spouse/Domestic Partner

**Health Reimbursement Account**

[Back To Top ▲](#)

The Health Reimbursement Account (HRA) is opened for you automatically when you enroll in the Standard option or Out-of-Area option.

**How the HRA is Funded**

American will make a one-time, introductory contribution into your HRA in 2013. You will receive \$375 as an employee and an additional \$375 for your covered spouse or domestic partner for a total of \$750.

- \$375 Employee Only or Employee + Child(ren)
- \$750 Employee + Spouse/Domestic Partner or Employee + Family

You may also fund your HRA when you earn **Healthmatters Rewards** throughout the year. You'll see your incentive dollars in your HRA as you earn them. The sooner you start earning, the sooner the money is there for you to use.

**How To Use the HRA**

The HRA can be used to pay eligible medical and prescription drug out-of-pocket expenses for you, your spouse and children who are covered by the Standard option.



Select auto-reimbursement or manual reimbursement in the Benefits Service Center during Benefits Enrollment. You may also choose to save your HRA funds for use in future years. Visit the PayFlex HealthHub website to learn about your reimbursement options.

**What Happens to Unused Funds**

PayFlex administers your HRA and you can track your account at the HealthHub website. Any unused HRA funds will roll over from year to year. HRA funds may only be used when you're enrolled in the Standard or Out-of-Area option. You keep your HRA as long as you remain enrolled or until you retire or change medical options. HRA funds are forfeited when you leave the Company.

### Which Flexible Spending Account Works with the HRA?

The HRA is compatible with the Health Care Flexible Spending Account (HCFSAs). You can contribute up to \$2,500 in the HCFSAs in 2013.

If you have both the HRA and HCFSAs, the HCFSAs pay first because HCFSAs have a "use it or lose it" rule.

### Health Savings Account

[Back To Top ▲](#)

A Health Savings Account (HSA) is a savings account for eligible medical, prescription drug, dental and vision expenses that is available when you enroll in the Core option.

### How the HSA is Funded

You can contribute funds to the account on a pre-tax basis up to the limit set by the IRS. For 2013, you can contribute up to \$3,000\* if you have individual coverage or \$5,950\* if you have family coverage. You can contribute an additional \$1,000 in catch-up contributions if you are age 55 or older.

\*Assumes you receive the maximum Healthmatters Reward of \$250 for Employee Only or \$500 for Employee + Spouse/Domestic Partner.

HSAs are a great way to save for your health care needs now and in the future. The money you contribute:

- Is tax-free when it goes in,
- Earns interest tax-free, and
- Is tax-free when it comes out to pay for eligible expenses.

You may also fund your HSA when you earn **Healthmatters**

**Rewards** throughout the year. You'll see your incentive dollars in your HSA 6 – 8 weeks after you earn them. You must open up an HSA with PayFlex to have Healthmatters Rewards dollars deposited into your account. Keep in mind that the Rewards you earn are included in the IRS limit.

### How To Use the HSA

The HSA can be used to pay eligible medical, prescription drug, vision and dental out-of-pocket expenses.

You can only use HSA money after it has been deposited into your account. You'll receive a debit card to use when you receive care, fill a prescription or incur other eligible health care expenses.

You may also choose to save your HSA funds for use in future years. Visit the **PayFlex** HealthHub website to learn about your reimbursement options.

### What Happens to Unused Funds



You, the account holder, own your HSA funds, and the account balance rolls over from year to year. You may continue to make HSA contributions as long as you remain enrolled in the Core option and the program is offered.

You can take your HSA — including your savings, Healthmatters Rewards and any investment earnings — with you if you leave the Company.

### What Happens to Your Existing HSA

PayFlex will automatically become both the administrator and custodian for your HSA effective January 1, 2013. That's good news, because PayFlex is making some enhancements to help you manage your account:

- **Manage Your Funds:** Link your HSA to a personal checking or savings account for direct reimbursement, setup one-time or recurring payments from your HSA to your personal bank account or to your health providers — all from the PayFlex HealthHub website.
- **Access your HSA via your mobile device:** Download the HealthHub mobile application via the app store (available for iPhone, Android and Blackberry devices).
- **Choose Investment Options:** Choose from a wide array of mutual fund options once your HSA balance reaches \$1,000.

No action is required unless you choose to close or transfer your account. Visit [PayFlex HealthHub](#) for more details.

### Which Flexible Spending Account Works with the HSA

The HSA is compatible with the Limited Purpose Flexible Spending Account (LPFSA), which can be used to pay for dental and vision expenses only.

The total annual LPFSA amount you elect to have deducted from your paycheck is available at the beginning of the year. If you have both an HSA and a LPFSA, the LPFSA pays your dental and vision expenses and your HSA pays your eligible medical expenses.

### Health Incentive Account

[Back To Top ▲](#)

The Health Incentive Account (HIA) is available when you enroll in the Value Option and earn Healthmatters Rewards.

### How the HIA is Funded

You can earn incentive dollars, by completing **Healthmatters** goals. These incentive dollars will be contributed to your HIA 6-8 weeks after you earn them. If you don't earn Rewards, you will not have an HIA.

### How To Use the HIA

You can use the HIA to help pay eligible medical and prescription drug out-of-pocket expenses for you, your spouse and children who are covered by the Value option.

You may also choose to save your HIA funds for use in future years. Visit the [PayFlex HealthHub](#) website to learn about your reimbursement options.

### What Happens to Unused Funds

PayFlex administers your HIA. You can track your account at the HealthHub website. Any unused HIA funds will roll over from year to year. HIA funds may only be used when you're enrolled in the Value



option. You keep your HIA as long as you remain enrolled or until you retire or change medical options. HIA funds are forfeited when you leave the Company.

**Which Flexible Spending Account Works with the HIA**

The HIA is compatible with the Health Care Flexible Spending Account (HCFSA). You can contribute up to \$2,500 in the HCFSA in 2013.

If you have both the HIA and HCFSA, the HCFSA pays first because HCFSA has a “use it or lose it” rule.