



## COUNTY OF SANTA BARBARA

### QUALIFIED HEALTH SAVINGS ACCOUNT DISTRIBUTION ELECTION FORM TO ROLLOVER HEALTH CARE REIMBURSEMENT ACCOUNT YEAR END BALANCE

I hereby elect to have an amount equal to my December 31, 2008 Health Care Reimbursement Account (HCRA) balance distributed directly from my HCRA to Sterling HSA, the custodian of my health savings account (HSA) by the County of Santa Barbara once my HSA is established. (For these purposes, "balance" means the amount available for reimbursement as of December 31, 2008, without regard to any expenses incurred or submitted for reimbursement that have not been reimbursed as of that date.)

I understand that the following conditions must be met in order for the County to make the distribution:

- I must have had a positive (greater than \$0) balance in my HCRA on September 21, 2006.
- My December 31, 2008 HCRA balance must be less than or equal to the balance in my HCRA on September 21, 2006.
- I must submit this election form to the County Human Resources Department – Employee Benefits Division on or before December 31, 2008.
- For the 2008 Plan Year, I have elected to participate in the County's High Deductible PPO Health Plan and I must not have elected to participate in the HCRA Component of the County's Flexible Benefits Plan.
- I also certify that I will be otherwise HSA eligible on the first day of the month in which the distribution is made and will remain HSA eligible during the testing period following the distribution. For this purpose, the testing period is defined as the period beginning with the month in which the HSA distribution is contributed to the HSA and ending on the last day of the 12<sup>th</sup> month following that month. **I understand that if I fail to be HSA eligible during the testing period, the distribution amount will be includable in my gross income and be subject to an additional tax equal to 10% of the distribution amount (with certain exceptions for death and disability).**

I hereby certify that, with the exception of my December 31, 2008 HCRA balance; I will be HSA eligible as of January 1, 2009 and will notify the County Human Resources Department – Employee Benefits Division immediately if this status changes between that date and March 15, 2009. I also certify that I have read the information regarding qualified HSA distributions and understand the requirements that must be met for the distribution to be excluded from my gross income. I also understand that I will receive no reimbursements from my HCRA after December 31, 2008, that by electing a distribution I waive all rights that I may otherwise have to be reimbursed for expenses incurred or submitted but not reimbursed on or before December 31, 2008, and that I will also be ineligible for any such distributions that may be permitted under the County of Santa Barbara Flexible Benefits Plan in future years.

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Signature

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Employee ID

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Print Name

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Date

Please attach:      Completed Sterling Health Savings Account Enrollment Form, and  
Aetna High Deductible PPO Health Plan Enrollment Form