



# HEALTH SAVINGS ACCOUNT: ADDING A BENEFICIARY

## What happens to your HSA when you die depends on whom you designate as your beneficiary.

- If your spouse is named beneficiary, your HSA will be treated as your spouse's HSA after your death.
- If someone other than your spouse is designated as your beneficiary, the account stops being an HSA and the fair market value of the HSA becomes taxable to the beneficiary in the year in which you die.
  - Note: The amount taxable is reduced by any qualified medical expenses for the decedent that are paid by the beneficiary within 1 year after the date of death.
- If you do not list a beneficiary, the money will be included in your estate & the value will be taxable on your final income tax return.

## How many beneficiaries can I select?

You may select as many beneficiaries as you'd like as long as the total percent of your account share equals 100%, and they must be allocated in full percentages only.

You will designate 2 types of beneficiaries:

- Primary beneficiary(ies): Should you pass away, the person or persons listed as primary beneficiary would inherit your account.
- Contingent beneficiary(ies): If the primary beneficiary(ies) is also deceased, the contingent beneficiary(ies) would inherit the account. Also known as secondary beneficiaries.

## Adding a Beneficiary is Easy!



Update your beneficiaries at any time by logging into your account at [u.bpas.com](https://u.bpas.com)

- Navigate to **My Profile** and choose the **Beneficiary** tab.
- **Add** your Primary and Secondary Beneficiaries and **submit** when finished.
  - Remember to list a Beneficiary for each of your BPAS accounts, keep a copy with your estate documents, and consult with an estate attorney for consistency in beneficiary choices.

### Review Your Beneficiaries Often!

After life changes like marriage, divorce, death, or birth in the family to ensure peace of mind for you and your loved ones.

