

Monroe Bank Health Savings Account

Monroe Bank is pleased to provide Health Savings Accounts (HSA) to Monroe County Community School Corporation staff. Monroe Bank was founded in 1892 as a community bank and has retained that heritage throughout more than a century of growth. Headquartered in Bloomington, Indiana, we serve Monroe County with seven convenient locations.

Monroe Bank's Health Savings Account is designed to meet the needs of customers who are covered under a High Deductible Health Plan as defined by IRS guidelines. Monroe Bank serves as custodian for the HSA and does not provide or determine the investment, tax, or other consequences of HSA activity on behalf of customers. It is each customer's responsibility, in consultation with his/her employer, insurance provider, tax advisor, and/or IRS publications, to determine his/her eligibility for an HSA.

The following are the basic features of the Monroe Bank HSA:

Account Set-up:	No Fee
HSA Administration:	No Fee
Transaction:	No Fee
Maintenance:	No Fee
Debit Card at merchant location:	Available - No Fee
Checks:	May be purchased at current prices
ATM Usage:	Monroe Bank ATMs - No Fee Alliance One ATMs - No Fee Non- Monroe Bank ATMs - \$1.50 per transaction/\$2 per deposit
On-line account statements:	Available - No Fee

Generally speaking, all transactions are coded as normal contributions or distributions for reporting purposes unless designated otherwise in advance. Unlike many HSA offerings, the Monroe Bank HSA affords customers an opportunity to make deposits and withdrawals in person at our Banking Center locations. This makes it convenient to designate transactions as needed.

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Commonly asked questions:

What are my investment options?

Balances are considered Bank deposits covered by the FDIC. The Monroe Bank HSA is a tiered rate, variable rate account based upon total balances. Rates are administratively determined by Monroe Bank, and are subject to change at any time. Current Monroe Bank HSA tiers and rates are as follows:

Tiers	Total Balance Requirements	Annual Percentage Yield
Top	\$10,000.00 or more	1.25%*
Intermediate	Less than \$10,000.00 and greater than or equal to \$5,000.00	.30%*
Bottom	Less than \$5,000.00	.05%*

*Rates are accurate as of 12/1/2009. Rates are subject to change at any time.

Can my deposit be made by either check or electronic means?

Individual employee deposits will be accepted by check or electronic means such as ACH or internal transfer.

What is the minimum deposit to begin my HSA?

There is no minimum balance to open the HSA. Monroe Bank encourages a prompt deposit at the beginning of the plan year. Staff are encouraged to take advantage of direct deposit through their Human Resource department.

Are there any management fees assessed to Health Savings Accounts?

No. Simply stated, Monroe Bank has elected not to assess any administrative, maintenance, or transaction fees at all.

Is there a process in place to prohibit me from exceeding my annual contribution limit?

HSA owners are responsible for ensuring that contribution limits are observed. Tracking contributions will be simple for account owners through the use of our traditional mailed statements, secure electronic statements, or via Monroe Bank's convenient Online Banking. Monroe Bank, as custodian, will report contributions as required by IRS rules.

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Is there a process in place to monitor family status changes?

Monroe Bank will update changes in family status as reported by the account owner. The account owner is responsible for ensuring that the account is utilized in a manner consistent with his/her family status and IRS requirements.

What occurs to my HSA if I change employers?

The Monroe Bank HSA will be unaffected. A key feature of HSAs, in general, is that the account is independent of the employer/employee relationship (i.e., it is portable). The employee's contribution eligibility under IRS rules may be affected if he/she is no longer covered as a result of the termination under a High Deductible Health Plan.

How are HSA rollovers handled?

An account owner can designate a deposit as a rollover at the time of deposit. Account owners are responsible for meeting any IRS requirements for rollover eligibility. Contributions not designated as rollover at the time of deposit will be coded as normal contributions.

What reports are generated, and on what calendar basis?

Monroe Bank generates all IRS required information reporting, including forms 1099SA and 5498SA annually on 12/31 and 4/15 respectively. Monthly account statements are also provided to the account owner.

Who should I call to answer my questions?

Your contact person will be the Highland Village Banking Center Manager, Keith Leonard. Keith may be reached at 812-331-3501 or via email at leonardk@monroebank.com.



Member FDIC

