

Health Equity Beneficiaries

Naming a beneficiary

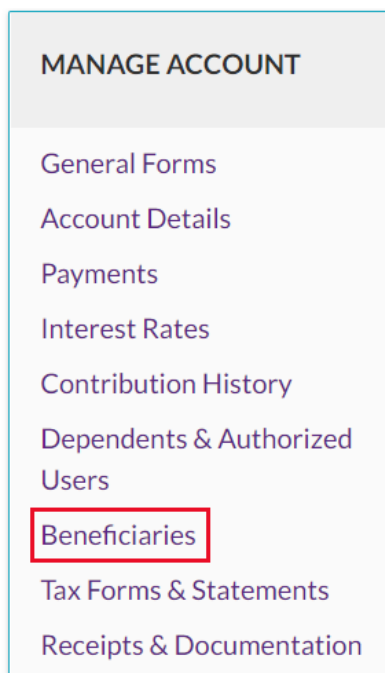
Who can add a beneficiary

- **Only the member** (not the auth user or dependent) can designate a beneficiary.
 - The member can complete the request on the portal.
 - The member can submit a signed [Beneficiary Designation form](#).
 - An MS Specialist can add the beneficiary for the account holder after verifying their identity.

How to submit a request via the Member Portal

Step 1.

Via the Member Portal under Manage Account, select Beneficiaries



Step 2.

Select marital status.

If the member is married and designating a beneficiary who is not their spouse, or if they live in a community property state, an additional signed form is required. The portal page will provide details on how to submit this form.

Beneficiaries

Please Select Beneficiary Status

I am not married and I understand that if I become married in the future, I must complete a new HSA Beneficiary Change/Spousal consent.

I am married and I choose to designate my spouse as the primary death beneficiary.

I am married and I choose to designate a primary death beneficiary other than my spouse, and/or I live in a community property state; California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington and Wisconsin, my spouse must agree in writing. This option requires a signature. please follow the instructions on the Beneficiary Designated form: [Beneficiary Designation Form](#)

[Continue](#)

Step 3.

Select 'Add Beneficiary.'

- Enter the personal information for the new beneficiary and click 'OK.'
 - First name, last name, and relationship are required.
 - Birthdate, SSN, and address are not required on the form but **must be completed** before any funds can be sent to the beneficiary.
- Set the Primary % or Contingent %. Primary designations must add up to 100% before you can save the changes or set any contingent designations.
- Click 'Save.'

Repeat these steps to add multiple beneficiaries.

Notification of add/change

If a member adds/removes/changes a beneficiary, they will receive an email confirmation.

From: HealthEquity Member Services <updates@healthequity.com>

Subject line: Your HSA beneficiary information

Dear [member name],

[if adding]We have received a request to add a new beneficiary to your account.

[if changing]We have received a request to update the beneficiary information associated with your account.

[if removing]We have received a request to remove your currently designated beneficiary. If you do not recognize this account update, please contact us immediately at [custom phone number].

We are available every hour of every day to assist you.

Thank you,

HealthEquity Member Services

Number and types of beneficiaries

- A **primary beneficiary** is a person(s) named to receive a specified portion of the assets in the account if the account holder dies.
- A **contingent beneficiary** is a person(s) named as a backup to the primary beneficiary. If the primary beneficiary dies before the account holder (or at the same time), the contingent beneficiary will receive the primary's portion of the assets in the account.
- Any beneficiary that a member assigns a % to in the portal becomes a primary beneficiary. Any beneficiary who is kept at 0% becomes a contingent beneficiary.
- A member cannot add more than 100 primary beneficiaries (since each must be assigned at least 1% of the assets in the account). There's no limit to how many contingent beneficiaries can be added.
- **NOTE:** If a beneficiary is not listed on the account and the member has a legal spouse, the spouse automatically becomes the beneficiary upon the death of the member.

Beneficiary when a member is closing their account

- Ask for a beneficiary even when the member is closing the account unless the balance is \$25 or less.
- If anything happens to the member before the account closes, however unlikely, they may want the funds to go to a specific person rather than their estate.

Member asks about designating a trust as beneficiary

- “You should consult your estate and tax advisor before naming a trust as the death beneficiary as there may be negative tax consequences.”
- If a member is adding a trust, but the name of it is too long, is it ok to abbreviate?
 - They can't abbreviate the unique name, but they can abbreviate the word "revocable" or the phrase 'revocable living trust'.
 - Example: The Velazquez Family Revocable Living Trust could be abbreviated to say "The Velazquez Family RLT"

Member asks about designating a charity as a beneficiary

- To name a charity as a beneficiary complete the form as you would for an individual with the following exceptions:
 - No Date of Birth is required.
 - In the Relationship field, note this is a "charitable organization".

Minor beneficiaries (under 18)

- If any named beneficiaries are minors at the time of death, a guardian must hold/manage the money until the beneficiary's 18th birthday.
- Appointing a guardian could result in legal and other expenses to the estate.
- Contact a legal advisor for more specific guidance.

Member's SSN

- If the member doesn't have an SSN (typically foreign individuals), we don't need one to update their beneficiaries.
- From IRS 1099 general information, page 9:
 1. For US Citizens and Resident Aliens, we can request the SSN via Form W-9.
 2. If the recipient is a foreign person, the IRS suggests that we request the recipient complete the appropriate Form W-8. See the [Instructions for the Requester of Forms](#) W-8BEN, W-8ECI, W-8EXP, and W-8IMY.
 3. If the recipient does not provide a Tax Identification Number (TIN), leave the box for the recipient's TIN blank on Form 1097, 1098, 1099, 3921, 3922, 5498, or W-2G. Only one recipient TIN can be entered on the form.

Signatures on beneficiary forms

- We **must** have a signature from the policyholder to process any beneficiary forms.
- Some groups use old forms that do not include a signature line. A signature must be added regardless.

International address for beneficiary

- The portal doesn't have fields for international addresses.
- Save the international address in the case and mark the case as “BENEFICIARY INFO LISTED.”

Remove a beneficiary

Member Portal

Only the member (not the auth user or dependent) can remove or change a beneficiary.

- Steps from the home page of the portal
 - My Account>My Profile>Profile Details>Beneficiary Information
 - Click **Add/Edit**
 - Select the **Beneficiaries Status**, Click Continue
 - Click on the **small X** to the left of the beneficiary's name you would like to remove.
 - A pop-up will show to **confirm the request** 'Are you sure you want to remove 'beneficiary name?' - Click Yes and then Save.