

## What is an HSA?

An HSA is a tax-advantaged account T-Mobile participants can use to pay for qualified medical expenses they or their tax eligible dependents incur, while covered under a high deductible health plan. HSA contributions:

- Are tax deductible (and employer contributions are not taxable).
- Remain in your account until you use them (and interest and earnings are tax free);
- Are portable after employment; and
- Can be used to pay for qualified medical expenses tax-free or for non-health expenses on a taxable basis.

## The Rules

Eligibility to participate in the Health Savings Account is described in the T-Mobile USA, Inc. Employee Benefit Plan. You must be covered under Health Savings Account (HSA) Plan, which is a high deductible health plan. In addition, you:

- Must not be covered by other health coverage except for those approved by the IRS;
- Must not participate in a full health care Flexible Spending Account (FSA);
- Must not be enrolled in Medicare; and
- Cannot be claimed as a dependent on another person's tax return.

## Contributions

Contributions to your HSA can be made by you, by T-Mobile USA, Inc. or by any other individual. All funds contributed to your HSA are owned and controlled by you, subject to any reasonable administrative restrictions imposed by the trustee.

Contributions can be made to your HSA beginning on the first day of the month you are enrolled in the Health Savings Account Plan until the date on which you file taxes for that year, subject to the contribution limit for the tax year. NOTE: If coverage under a qualified high deductible health plan terminates, no further contributions may be made to the HSA. The maximum limits set by federal regulations may be found on the IRS website at [www.irs.gov](http://www.irs.gov).

If you enroll in your HSA during the year (not on January 1) you will still be allowed to contribute the maximum amount set by federal regulations. However, you must remain enrolled in a high deductible health plan until the end of the 12th month from your initial enrollment or your contributions will be taxable and subject to an additional tax of 10%. NOTE: Amounts that exceed the contribution maximum are not tax-deductible and will be subject to an excise tax unless withdrawn as an "excess contribution" prior to April 15th of the following year.

T-Mobile USA, Inc. will contribute \$500 or \$1,000 to your HSA for the Plan year depending on your coverage tier. The table below contains the details for the employer contributions to your HSA:

Coverage Tier	Per Pay Period Contribution
Employee	\$19.23
Employee plus Spouse	\$38.46
Employee plus Child(ren)	\$38.46
Family	\$38.46

## Maximum HSA Contribution Limit

Tax Year	Individual	Family
2026	\$4,400*	\$8,750*
Catch-up Contribution (age 55 or older)	\$1,000	\$1,000
T-Mobile's Contribution	\$500**	\$1,000**

\*Annual maximum contribution amount is employer and employee contributions combined.

\*\*T-Mobile's funding is pro-rated per pay period (26 times a year)

## Additional Information about HSAs

Once you enroll in the HSA Plan with UnitedHealthcare (UHC) administered by Optum Bank or Premera Blue Cross administered by Optum Financial, you may be asked to provide additional information to open your HSA account. This is a requirement under federal law as part of the USA PATRIOT Act. If you have to provide additional information, you will be notified by UHC or Premera Blue Cross and given a specific deadline to respond. If you do not provide the requested information by the deadline, your account will not be opened. If that happens:

- You won't have an HSA to use for your out-of-pocket healthcare expenses.
- The HSA contributions that were withheld from your pay will be returned to you as taxable income, and HSA contributions will stop.
- Any T-Mobile employer HSA contributions that were scheduled to be made will be forfeited.

However, if at some point in the future you successfully open your HSA account, you can elect to restart HSA contributions at that time. Contributions will only be made on a prospective basis.

For help with any HSA-related questions: Premera Blue Cross enrollees contact (866) 358-2300 and UHC enrollees contact (800) 791-9361.

## Reimbursable Expenses

The HSA funds will be available for medical plan out-of-pocket costs (including Annual Deductible and Coinsurance) for you, your spouse and any dependents you claim on your tax return.

You may also use your HSA funds to pay for anything other than medical expenses, however if you do so, those funds will be subject to income tax and a 20% additional tax unless an exception applies (i.e., your death, your disability, or your attainment of age 65). In general, you may not use your HSA to pay for other health insurance without incurring a tax, but you will not be subject to tax if you pay for long-term care insurance, COBRA premiums, Medicare premiums or premiums for health coverage while you are unemployed.

A complete description of, and a definitive and current list of what constitutes eligible medical expenses, is available in IRS Publication 502.

## Account Ownership and Rollover

If your employment terminates, you continue to own and control the funds in your HSA, whether or not you elect COBRA coverage for the accompanying high deductible health plan, as described in the Summary Plan Document. If you elect COBRA, the HSA funds will be available to assist you in paying your out-of-pocket costs under the medical plan and COBRA premiums while COBRA coverage is in effect.

If you choose to rollover the HSA funds from one account to another eligible account, you must do so within 60 days from the date that HSA funds are distributed to you to avoid paying taxes on the funds. You also have the option to consolidate funds through a trustee-to-trustee transfer process. More information can be found within the [HSA Consolidation Process](#).

### IMPORTANT

Be sure to keep your receipts and medical records to help you demonstrate that you used your HSA to pay qualified health expenses. Otherwise, you might be subject income tax on those HSA distributions and possibly a penalty. T-Mobile USA, Inc., UnitedHealthcare and Premera Blue Cross will not verify that distributions from your HSA are qualified health expenses. Consult a tax advisor to determine how your HSA affects your unique tax situation. T-Mobile USA, Inc. and the claims administrators are not responsible or liable if you incur taxes or penalties by using HSA funds to pay anything other than qualified health expenses.