HSA Rollover to Sentinel

Guidelines for rolling funds from an existing HSA

You may choose to rollover assets from an existing HSA to your Sentinel HSA, but it important you understand some of the requirements when rolling assets in from an existing HSA.

- A rollover from your current HSA custodian/trustee where the distribution of funds are made directly to you and the check is made payable to you implies you take "constructive receipt" of those funds.
- A rollover transferred directly from your existing HSA custodian/trustee to your new HSA where the funds are not sent to you directly and the payment is made payable to the new custodian/trustee means you have not taken "constructive receipt" of the funds.
- You have 60 days to roll the funds to a custodian/trustee of another qualified HSA account.
- You may make a rollover contribution of funds from another HSA once every 365 days.
- The rollover amount **does not** count against your HSA annual contribution limits.

Guidelines for transferring funds from an IRA to an HSA

You may choose to rollover assets from an IRA (Traditional or Roth) to your Sentinel HSA, but it important you understand some of the requirements when rolling assets in from an IRA.

- Internal Revenue Code (IRC) 408(d)(9) allows one IRA to an HSA transfer in a lifetime. However, if your high deductible health plan (HDHP) changes from self-only coverage to family coverage in the same tax year, you are allowed a second IRA to HSA transfer in that tax year.
- At this time, the IRC does not permit transfers from SEP and SIMPLE IRAs.
- The applicable tax reporting of the transfer relates to the tax year in which you distribute funds from your IRA. This requires that any transfers received after January 1 cannot be applied to the preceding tax year.
- Unlike a rollover from an existing HSA, IRA transfers cannot be received directly from you. Checks must be made payable to your HSA account.
- The IRA transfer amount **does** count against your HSA annual contribution limits.

When making a Rollover request from an existing HSA or transferring funds from an IRA, please use the HSA Rollover Form. Sentinel cannot accurately invest your rollover without this form. Any unknown deposits will be returned. HSA Rollover Request.pdf

Note: The Rollover request must be initiated with the previous administrator.