

Please review the *Beneficiary Guide* on the reverse side to learn more about designating a beneficiary.

## 1. Information about you

Last name	First name	MI	Account ID or SSN
Street address		Daytime phone	
City		State	Zip code
Spouse's name	Spouse's date of birth	Spouse's SSN	

Check here if this is a change of address

## 2. Designating your beneficiaries

Please **DO NOT** list the following as a beneficiary: a) spouse; b) legal dependent(s); or c) non-living entity such as a trust, charitable organization or estate. For more details, please review the guidelines on the reverse side of this form.

The designated beneficiary is eligible for any remaining account balance **only if there is no surviving spouse or legal dependent(s)**. Please review "*Assignment of account balance*" on reverse side of this form to learn how this account is assigned upon your death.

You **must** complete **all** fields. If not completed, MSRS will contact you.

Name of Individual	Relationship	Date of birth	Address	Percentage

Total must equal 100 %

You may attach an additional sheet of paper if there is not enough space to list all beneficiaries.

## 3. Required signature

Data collected on this form will be used by MSRS staff for identification and documentation. The individual's Social Security number, birth date and address are classified as private and will not be shared with any unauthorized person without written consent.

Participant Signature \_\_\_\_\_ Date \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
Month Day Year

# Beneficiary Guide



A spouse or legal tax dependents are automatically entitled to the account balance upon the participant's death and will always supersede the designated beneficiaries. For this reason, **your spouse and legal dependents should not be listed as the beneficiary.**

## Assignment of account balance

Following the death of an HCSP participant, the account is assigned as follows:

1. Spouse, to be used for tax-free reimbursement of healthcare-related expenses.
2. If no spouse, then to the participant's legal tax dependents to be used for tax-free reimbursement of healthcare-related expenses.
3. If no spouse or legal tax dependents, then to the designated beneficiaries. Reimbursements to a designated beneficiary are taxable income.
4. If no spouse, legal tax dependents, or designated beneficiary, then the personal representative of the estate must identify individual(s) who will receive the account balance in the form of reimbursements. The estate must be probated and an individual(s) designated as the owner of the account.

## Beneficiary must be a natural person

Under no circumstances can MSRS accept a beneficiary designation of a non-living entity (i.e., trust, estate or charitable organization).

The remaining account balance can only be used for reimbursement of out-of-pocket medical expenses incurred by a natural person.

Forms that designate an entity rather than a natural person will be returned to the participant.

## Legal tax dependent defined

Please refer to Publication 502 for the definition of a legal tax dependent. Publication 502 is located on [www.irs.gov](http://www.irs.gov).

## Adult children

Your non-dependent adult children can only inherit the HCSP account balance if:

- a) you are not survived by a spouse or legal dependent(s) *and*
- b) the adult child is your designated beneficiary.

## If beneficiary predeceases you

If your named beneficiary predeceases you, their share is distributed to any surviving beneficiaries. For example, let's say Paul and Laura are your beneficiaries and Laura died. Assuming you don't change your beneficiary designation before you die (and you are not survived by a spouse or legal dependents), Paul would inherit 100% of the HCSP account balance. Laura's share would **not** be paid to her living children (this is a per stirpes designation, which is not allowed by the HCSP).

Teletypewriter users and telecommunications-device-for-the-deaf (TDD) users call the Minnesota Relay Service at 1-800-627-3529, and ask to be connected to MSRS at 651-296-2761.

## General guidelines

- This beneficiary designation is effective upon receipt by MSRS and supersedes all prior designations.
- A valid beneficiary designation must be on file with MSRS prior to your death.
- You may designate single or multiple beneficiaries. If multiple beneficiaries are listed, indicate the percent of the account balance each person should receive upon your death. The total must equal 100 percent.
- Domestic partners: Under current federal law, a domestic partner is not defined as a qualified legal dependent. The State of Minnesota does not recognize "common law marriage". The domestic partner can be named as the beneficiary.
- If beneficiary's last name changes due to marriage or divorce, a new *Beneficiary Designation* form must be completed.
- If you have multiple MSRS-administered plans (such as a pension plan or MNDCP account), a separate beneficiary designation form must be submitted for each plan.
- Quarterly Statements: Your designated beneficiary's name will appear on HCSP quarterly statements. Please be assured that although your spouse and legal tax dependent's names do not appear on the statements, they are automatically entitled to any remaining account balance and will supersede a designated beneficiary.

## OFAC

MSRS is required to comply with the regulations and requirements of the Office of Foreign Assets Control, Department of the Treasury (OFAC). As a result, MSRS cannot conduct business with persons in a blocked country or any person designated by OFAC as a specially designated national or blocked person. For more information, please access the OFAC website at <http://www.ustreas.gov/offices/eotffc/ofac>.

## Submitting this form

Mail or fax the completed form to the address/fax number indicated on the front of this form.

A confirmation will be mailed to you acknowledging this election.