

Investing in a healthy future has never been so easy.



Gain control of healthcare costs.



Build a comprehensive retirement strategy.



Discover peace of mind.



HealthSavings

ADMINISTRATORS

Investing in a Healthy Future

WHAT IS AN HSA?

A health savings account (HSA) is a savings and investment account that can be used to reimburse eligible medical expenses, like doctor's office visits, prescriptions, vision and dental expenses.

Unlike a simple savings account, the money is deposited tax free or is tax deductible if contributed after tax. Those funds remain tax free when used to pay or reimburse for eligible healthcare expenses.

WHY INVEST IN AN HSA?

With ongoing changes in healthcare, an HSA is increasingly more important. It's not only a tax-advantaged savings account, it's part of a comprehensive retirement package. Our company is the resource you need to save for today, and to invest for tomorrow.



Our *HealthSavings* HSA

We've been helping people and companies prepare for life's changing health and financial needs since 1996, starting with medical savings accounts (MSAs) and then shifting to HSAs when they were introduced in 2004.



In addition to offering person-to-person customer service, and online 24/7 access to member accounts, our goal has always been to provide a long-term investment solution that gives our members the freedom and flexibility to save for future healthcare and retirement expenses. Individual account holders may choose one or both of these options:

Investment Account

- First-dollar investing
- Choose from a range of well-regarded mutual funds tailored to meet your personal financial needs
- Fees up to 80% lower than industry average
- Lower fees mean more money in the account and higher earnings over time
- No minimum balance or waiting required
- Investments are not FDIC insured

Interest Bearing Debit Account (if desired)

Members have the option to receive up to two free debit cards; however, a debit card is not required to withdraw funds from your account.

- Pay for eligible medical expenses at the point of service (e.g., doctor's office, pharmacy, etc.)
- Reimburse eligible out-of-pocket medical expenses through ATM withdrawals
- No monthly debit account fees (ATM service fees may apply)
- Cash/debit account is FDIC insured



WHO IS ELIGIBLE FOR AN HSA?

To be eligible for an HSA, you must be covered under an HSA-qualified health plan on the first day of the month.* Also, you must not be:

- Covered by any other health plan, including a spouse's health insurance
- Covered by your own or a spouse's medical flexible spending account (FSA)
- Enrolled in any part of Medicare or Tricare
- Claimed as a dependent on another person's tax return

* Health insurance providers and/or the insurance commissioner in your state can confirm if your plan is HSA-qualified. *HealthSavings* is not able to determine this for you.

WHAT ARE QUALIFIED MEDICAL EXPENSES?

The IRS outlines which medical, vision, dental and prescriptions can be paid with HSA funds. Many common expenses like doctor's office visits, prescriptions, labs and x-rays are covered.

For specifics:

- IRS publications 502 at <http://bit.ly/irs502>
- 969 at <http://bit.ly/irs969>

For examples of qualified expenses, see our website.

- <http://healthsavings.com/hsa/what-is-covered-by-an-hsa>.



HOW IS AN HSA USED?

Funds go into your account pre-tax.

Those funds accumulate and carry over from year-to-year.



PHARMACEUTICAL

1

Take your prescription to the pharmacy and present your insurance ID card.†



2

The Pharmacy will confirm your insurance coverage and charge you only the discounted rate.



3

Pay the provider by either:



Use your **HSA funds** (debit card or transfer investment funds to your personal account)

OR

Paying **OUT-OF-POCKET** and keep money in your HSA investments. (You must save your receipts to **REIMBURSE** yourself tax-free in the future)



MEDICAL*

1

Choose the best doctor either in-network or out-of-network.



Visit the hospital, lab, doctor's office or imaging area. No copy is required

(before deductible — some plans require copy after deductible).

4

An Explanation of Benefits (EOB) will arrive in your mail to explain what's covered.

Present your insurance card.

5



The provider will send you a bill for the amount not covered.

*TIP: Confirm the bill matches your EOB

6

Pay the provider by either:



Use your **HSA funds** (debit card or transfer investment funds to your personal account)

OR

Paying **OUT-OF-POCKET** and keep money in your HSA investments. (You must save your receipts to **REIMBURSE** yourself tax-free in the future)

HealthSavings BENEFITS *for* INDIVIDUALS



An HSA account is individually owned



Funds in the account can also be used to pay the eligible medical expenses of your spouse and tax dependents, even if they are not on your HDHP.

3 Simple Ways to Save



CONTRIBUTIONS

Contributions are **TAX DEDUCTIBLE**



GROWTH

Earnings and interest invested in mutual funds grow **TAX-FREE**



HEALTH

Withdrawals for eligible medical expenses are **TAX-FREE**



Eligible medical expenses include medical, vision, dental and prescriptions

SMARTER INVESTING

- Your choice of mutual funds, debit card, or combination of both.
- First dollar investing - no requirement to fund, or maintain, a balance in a debit card account



LOWER PREMIUMS

Savings from lower premiums can be deposited into the health savings account



The **BALANCE** rolls over year-to-year...



and can **continue to grow**



RETIREMENT PLAN STRATEGY

Savings invested in mutual funds can supplement other retirement plans.

PORTABLE



An HSA...

- ✓ stays with you when you change jobs, change insurance, or retire
- ✓ can provide a safety net between jobs to cover Cobra insurance



FREQUENTLY ASKED QUESTIONS

While many questions might be answered through our website, or by one of our HSA-certified member services advisors, we find these few questions come up frequently with our members.

Does an HSA cover my spouse and/or child(ren)'s qualified expenses?

Yes. The funds in your HSA may be used to pay eligible medical expenses for the member's spouse and tax dependents, and is not affected by their insurance coverage. For additional information regarding domestic partnerships, divorce, etc., see IRS publication 969 at <http://bit.ly/irs969>.

Is there a deadline for getting reimbursed from an HSA?

No, there is not. With an HSA, you do not have to reimburse yourself in the same year you incur an expense. HSA funds roll over from year-to-year; therefore, you may save your receipts and reimburse yourself at any time in the future. Many account holders invest their HSA like they would their retirement plan, then reimburse themselves when they really need the money or after they retire. The choice is yours.

Can I use HSA funds for non-qualified medical expenses?

Yes, but income tax and a 20% tax penalty will be required on the amount you spend on non-qualified medical expenses. (NOTE: After you reach age 65, or experience disability or death, the 20% penalty no longer applies; however, you would still pay income tax. And unlike most retirement plans, there's no required minimum distribution from an HSA.)

Is there a deadline for contributing to an HSA?

April 15th is the last day to make contributions to your HSA for the previous tax year. Contributions must be RECEIVED in our office by this date.

How much can I contribute to an HSA?

The Internal Revenue Service (IRS) determines the maximum amount* that can be contributed to an HSA each year. We also post the contribution limits on our website.

* Maximums include any employer contributions. There is a catch up provision if you are age 55 or older by December 31 of the tax year.

What is the difference between an HSA and a flexible spending account (FSA)?

Both accounts can reduce healthcare-related expenses with pre-tax funds. However, two of the largest difference are:

- With an FSA, if an employee leaves, the FSA stays with the company. An HSA belongs to the individual and stays with the individual.
- An FSA does not carry over from year-to-year. It is a use it, or lose it account. An HSA carries over from year-to-year and accumulates tax-free over time.

FOR MORE INFORMATION

At *HealthSavings*, we provide infographics and informational content for benefit consultants, employers and individual members. You can also visit our website for education tools, calculators and more information.



ADVISOR INFORMATION

Information designed to help advisors work with clients/employers



EMPLOYER BENEFITS

Information and tips about our HSA specific to employers



MEMBER BENEFITS

Information regarding benefits of our HSA to employees/individuals



INFOGRAPHICS



HealthSavings

ADMINISTRATORS

Investing in a Healthy Future

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