

# HEALTH SAVINGS ACCOUNTS



A UnitedHealthcare Company

# Health savings account (HSA)

**An HSA is a consumer account funded XX% by you.**

- You make contributions to the account to be used for eligible medical expenses.
- Funds are tax-free and remain yours even if you change jobs or retire.

What is an HSA?



# Health savings account (HSA) at-a-glance



## Use to pay eligible medical expenses

Use money in your HSA account to pay deductibles and out-of-pocket costs for eligible medical and pharmacy expenses.



## Save money

Your contributions, payments and any interest earned on the account are all tax-free.\*

### Tax advantages:

Never pay FICA or federal income taxes if money is spent on qualified health care expenses (state income tax laws may vary).



## Grow your nest egg

Any money remaining at the end of the year rolls over to the next year. **Money in the account is yours**, even if you retire or leave for a job with another employer.

# HSA: Qualified health care expenses

## DO

### Use your HSA dollars for:

- Qualified High Deductible Health Plan (QHDHP) deductibles and coinsurance
- Prescription medications
- Dental or vision care
- Health coverage while receiving unemployment benefits
- COBRA continuation coverage
- Qualified long-term care
- Medicare premiums and out-of-pocket expenses





# HSA: Qualified health care expenses



## **DON'T** Use HSA funds for non-qualified expenses:

If you do, the amount is:

- Taxable as income
- Subject to a 20% tax penalty until you reach age 65

# HSA eligibility requirements

You may participate in an HSA account if:

## QHDHP Coverage

- You are enrolled in a QHDHP plan
- You are not covered by any other plan
- Your coverage is active on the first day that you open your HSA account



## Medicare enrollment

- You are NOT enrolled in Medicare

## Status as a dependent

- You are NOT claimed as a dependent on someone else's tax return



# HSA: Qualified health care expenses

How much can I contribute?

## Annual contribution limits:

- Single - \$3,300
- Family - \$6,550

**Note:** Those age 55 to 64 not enrolled in Medicare may make an annual catch-up contribution of up to \$1,000.

