

Winning with an HSA

Nothing in this communication is intended as legal, tax, financial, medical or marital advice. Always consult a professional when making life changing decisions. It is the members' responsibility to ensure eligibility requirements as well as if they are eligible for the plan and expenses submitted.

Health**Savings**

Two Parts: Health Plan + Savings Account



- HSA qualified plan through insurance
- Preventative services covered at 100%
- Office Visits, Rx, Deductible, Copays, and Coinsurance ALL count towards Out of Pocket maximum
- Plan 7 - \$3,000/\$6,000

- HSA through Health Savings Administrators
- Tax-free savings for medical expenses
- Works in conjunction with the HSA qualified plan

What is a Health Savings Account?

- An account that you can use to pay qualifying medical, dental, and vision expenses
 - Must be used in conjunction with a high deductible health plan (HDHP)
 - You own the account
 - Triple tax advantage means you save money on your health care expenses
- Funds rollover each year, so you can use your HSA to save tax-free money for retirement
- You own the account, even if you leave the college

1

Contributions
are TAX
DEDUCTIBLE



2

Earnings and
interest grow
TAX FREE



3

Withdrawals
for eligible
medical
expenses are
TAX FREE



Why choose an HSA?

Easy win in today's complex health care system:

- Save now:
 - Receive the college contribution
 - HSA deposits aren't taxed or are tax deductible
 - Typically lowers income tax liability
- Save for the future:
 - The average retired couple will need \$300,000 to cover medical expenses not covered by Medicare in retirement*
 - HSA funds roll over from year to year
 - Tax-free interest earned
 - You keep the money even if you change jobs or insurance plans
 - Comprehensive and easy investment options
- Same doctors, same network, same pricing



Who is eligible

To contribute to an HSA, you need to:

- Be covered ONLY by an HSA-qualified health plan
 - Other health coverage* (including Medicare (even Part A), Veterans Benefits, TriCare or other coverage that is not an HDHP) may disqualify you
- No full purpose FSA (including through a spouse)
- Not claimed as a dependent on someone else's tax return
- Not receiving Veteran's health benefits now or in the past 90 days.

*Other health insurance does not include: specific disease or illness insurance, accident, disability, dental care, vision care and long-term care insurance

How it works

- College contributes money
- Make pre-tax contributions through payroll deductions
 - Change your payroll contributions at any time
- Make post-tax contributions directly to HealthSavings Administrators online or by sending a check
- Fully fund your HSA on day one by making contributions anytime after your HSA is open
 - Can make contributions up until April 15th for the previous tax year
- You can use HSA dollars to pay your health insurance deductible, along with other qualified medical expenses such as dental or vision services
- Once you meet your deductible, the plan pays 100% of your eligible medical and Rx expenses.



Maximize your savings for 2022

Don't leave
money
on the **TABLE** for the IRS



- \$3,650 for individual coverage - **Save up to \$945 in Taxes!***
- \$7,300 for family coverage - **Save up to \$1,890 in Taxes!***
- Catch-up contribution, age 55+: \$1,000
- You are allowed to contribute the entire year's limit when you first become eligible for the HSA, as long as you are still eligible on the first day of the last month of your tax year (Dec. 1 for most taxpayers).

Distribution Rules

- Distributions from your HSA are tax-free if they are taken for “qualified medical expenses” for the account holder, spouse and dependents (even if spouse and dependents are not covered by HDHP)
- For individuals age 65 and older, HSA distributions can be used for nonqualified medical expenses without facing the 20 percent penalty
 - However, income taxes will apply for nonmedical distributions
 - This rule is regardless of whether the individual is enrolled in Medicare
- If you have an FSA rollover, it will be converted automatically to a “Limited FSA” so that you can open a HSA.



Medical



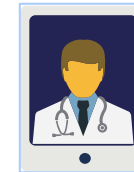
Prescriptions



Vision

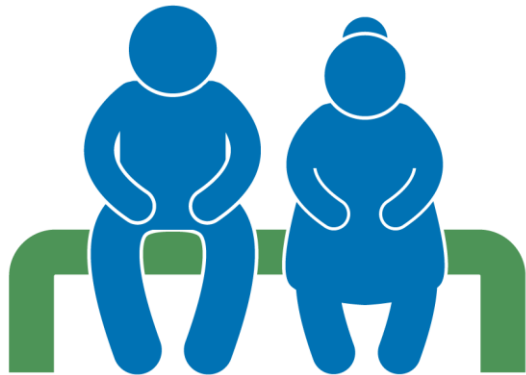


Dental



LiveHealth Online

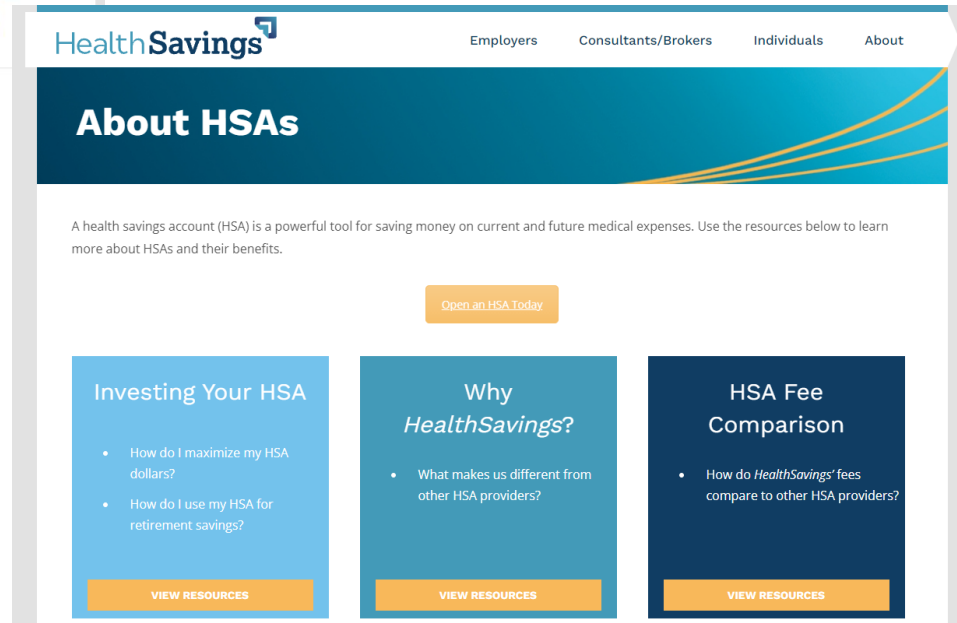
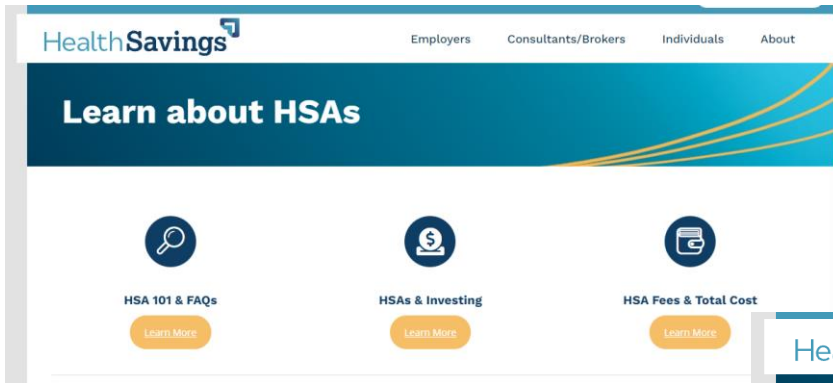
Health care costs in retirement



- The average couple retiring this year will incur \$300,000* to cover medical expenses during retirement
- This is \$375,000 gross withdrawal from traditional 403(b) plan to achieve net \$300,000 medical expense in retirement**
- or-
- Only \$300,000 tax free withdrawal from HSA

403(b) & HSA together can offer the optimal retirement planning solution

Information in One Place



<https://healthsavings.com>

Plan comparison tool

Calculators

You make better decisions when you are informed. That's why we've provided these calculators to help you determine how much you can save, how much to invest and even how a consumer-driven health plan (CDHP) stacks up against other health plans.

- [Contribution Calculator](#)
- [Goals Calculator](#)
- [Retirement Savings Calculator](#)
- [Plan Comparison Calculator](#)
- [Employer Cost Savings Calculator](#)

Do the math – use the Plan Comparison Calculator
<https://healthsavings.com/calculators/traditional-calculator/>

Convenient Access

- Convenient access
 - Debit card
 - Online
 - Using our **free** mobile app
 - By telephone
- Use your portal to
 - Check your balance
 - Review transactions
 - Review claims
 - Submit new claims or documents
 - Send payments and reimbursements
 - Access tax documents



Questions

