

# Associated Benefits Connection

**HSA 101**



# Associated Benefits Connection

Today's HSA Experts



**Arthur Shattuck, HSAe CFC**

**VP, Lead HSA & TPA Consultant**

Started with Associated 2017

Life Health License, State of WI

[Follow me on LinkedIn](#)

# Agenda

1. **Welcome**
2. **Common Questions**
3. **Tools & Resources**



# HSA 101

## Common Questions

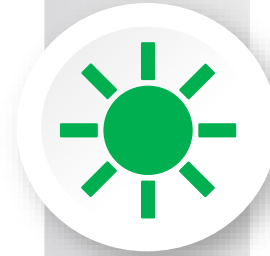
What is an HSA?

Health Savings Accounts (HSAs) are individually-owned bank accounts that can be used for healthcare expenses. Some benefits include:

- Tax savings
- Reimbursement flexibility
- Fully-vested funds
- Interest on savings
- Returns on investments\*

***Peace of mind, tax savings and more—putting money into a Health Savings Account (HSA) means that money is there when you need it. You can get the medical attention you need and the peace of mind you deserve ... and see other financial benefits as well.***

\*Investment returns not guaranteed



### Today

- Routine Doctors appointments
- Prescriptions

### Tomorrow

- Unexpected accidents and illnesses
- Expanding family
- Upcoming surgeries

### Future

- Retirement living expenses
- Retirement health expenses



# HSA 101





## Common Questions

What's the difference between an HSA and an FSA?

### → Health Savings Account

- A tax-advantaged spending and savings tool in conjunction with an eligible health plan to help save for qualified medical expenses now and in the future





**Key Differentiating Features includes:**

-  Individually owned
-  No "Use-it or lose-it"
-  Ability to Invest
-  Reimbursements not limited to plan year

### → Flexible Spending Account

- A tax-advantaged spending tool established by your employer to help offset the cost of you and your spouse or dependents medical expenses.

**Key Differentiating Features includes:**

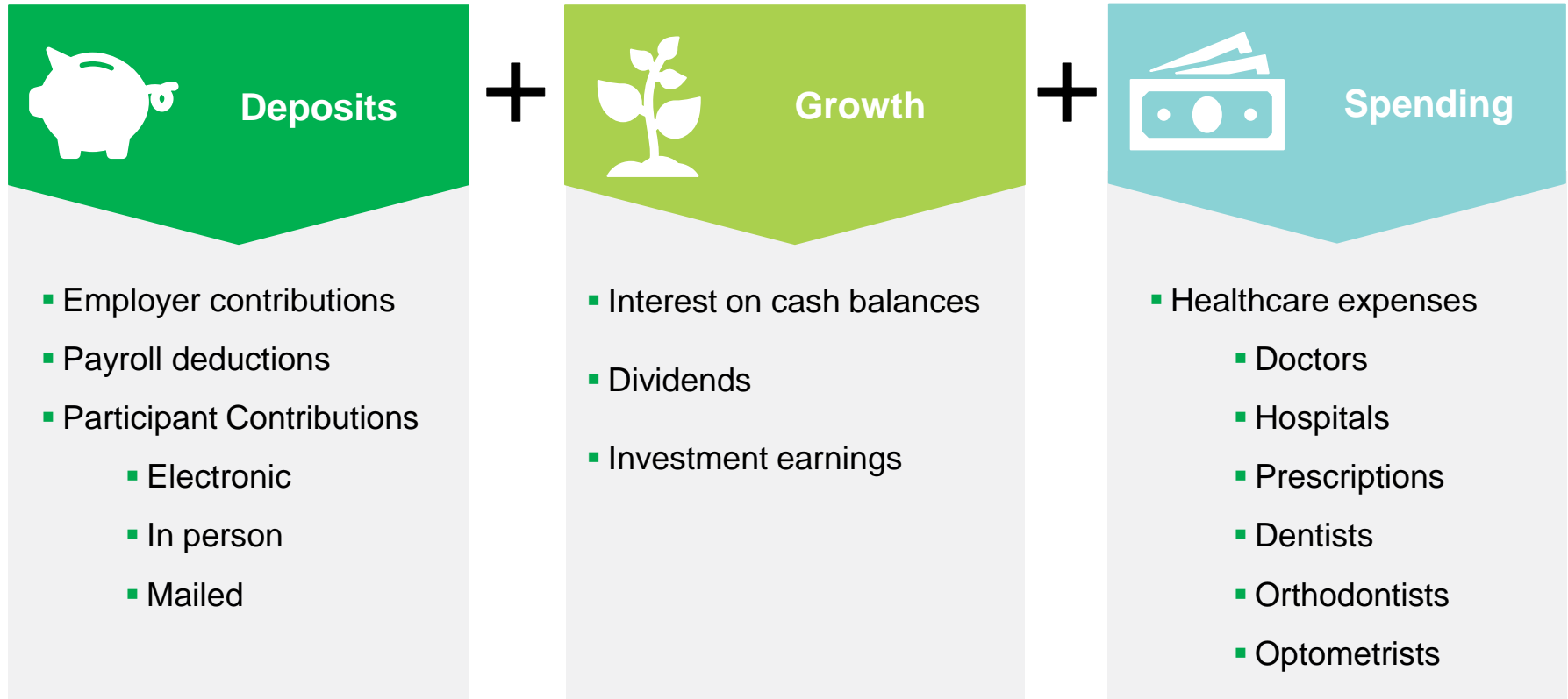
-  Setup by your Employer
-  Unused funds forfeited to employer
-  No long-term savings aspect
-  Reimbursements limited to plan year



# HSA 101

## Common Questions

How does an HSA help me save on taxes?



### Tip from the Experts

Money taken from your HSA for non-healthcare expenses are subject to income tax and a penalty. At age 65 and over, non-healthcare expenses are subject only to income tax, but there is no penalty.



# HSA 101

## Common Questions

How much should I contribute to my HSA?

Points to consider:

- IRS limits
- Contribution sources
- Health plan deductible and out-of-pocket amounts
- Healthcare expenses
- Retirement savings goals

### IRS HSA Contribution Limits

Limit	2022	2023
Self-only coverage	\$3,650	\$3,850
Family coverage	\$7,300	\$7,750
Catch-up contribution (age 55 and over)	\$1,000	\$1,000

*Want more help deciding the right HSA contribution for your situation?*

Introducing My HSA Planner!



My HSA Planner is a decision support tool that takes into account your personal situation including healthcare coverage and expenses and your financial goals to make a personalized recommendation.

**Visit today at:**

**[Myhsaplanner.com/abk](https://myhsaplanner.com/abk)**

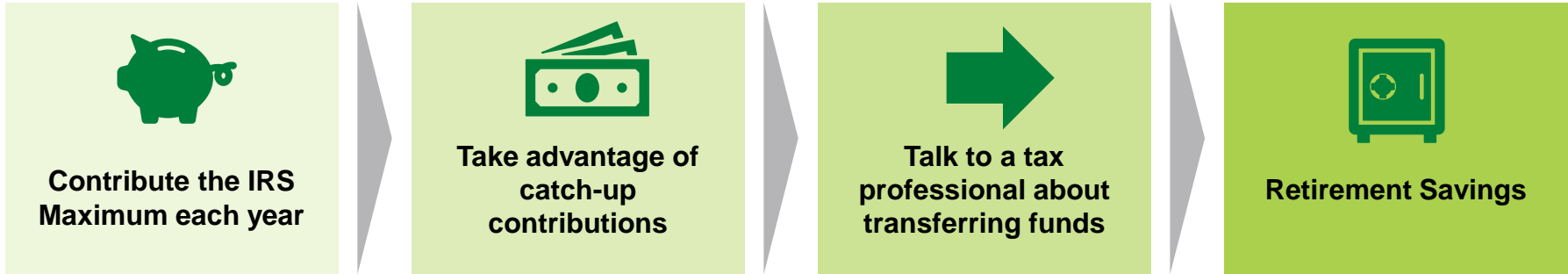
Not an Associated Bank account holder yet? No problem!



# HSA 101

## Common Questions

Is it too late for me to start saving in an HSA?



### Common retiree healthcare expenses:

#### Pre-Medicare:

- Medical Procedures
- Hospital Bills
- Prescription Drugs

#### On Medicare:

- Medicare Part B Premiums
- Medicare Part D Premiums
- Out-of-Pocket Expenses
- Home Healthcare
- Long-Term Care Expenses

### Tip from the Experts

Studies have estimated that current health costs for retirement are between \$250,000 (individual) and \$350,000 (couple). And, these costs are rising every year. Be sure to start saving as early as possible.







# HSA 101

## Common Questions

What are eligible expenses for an HSA?

### Eligible Individuals



**Accountholder**



**Dependents**

- Spouse
- Children
- Other tax dependents

### Expenses



[hsastore.com/associatedbank](https://hsastore.com/associatedbank)

### Timing



*There are no limits on when you can receive funds from your HSA!*



### Tip from the Experts

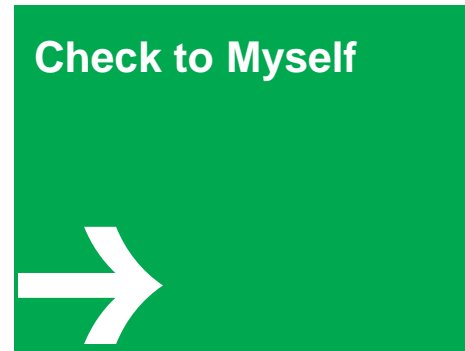
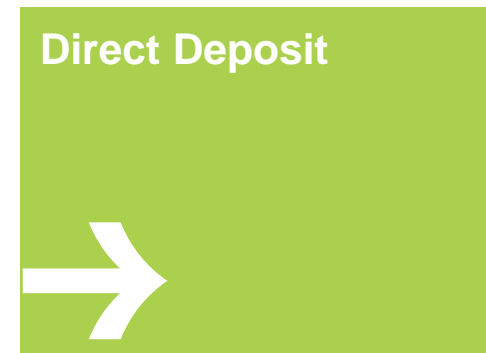
Be sure to keep track of your expenses for tax purposes. This is fast and easy in the Participant Portal or the Associated Benefits Connection mobile app!



# HSA 101

## Common Questions

What options do I have to access my HSA funds?



### Tip from the Experts

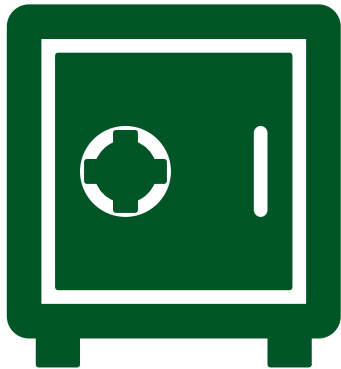
For quick, secure access to your money, add a bank account in the portal or mobile app and use direct deposit to reimburse yourself for expenses. It's quick and easy!



# HSA 101

## Common Questions

What happens to my HSA if I switch jobs or retire?



**The money in your HSA is always yours – even after you're no longer with your employer**



### The decision is yours!

#### Spend

- Leave the funds in your HSA and continue to spend down the money on qualified expenses

#### Grow

- Leave the funds in your HSA and don't spend so you can continue to grow your balance through interest and investments, if applicable\*

#### Consolidate

- Open a new account with an employer or on your own and transfer funds from your existing HSA(s) to the new account

### Tip from the Experts

Transfer an old HSA to consolidate funds and compound earnings and savings potential!



\*Investment returns not guaranteed



# HSA 101

## Common Questions

Can I share my HSA with my spouse?



### Ownership

- HSAs are individually owned by the accountholder
- Each spouse may open their own separate HSA



### Common Spousal Usage

- Funds can be used on spouse and tax dependents
- Can order an additional debit card and added as authorized use



### Tip from the Experts


Financial experts recommend that each spouse open their own HSA in their name. This allows for catch-up contributions to be made for each spouse once they are age 55.




# HSA 101

## Common Questions

Can I continue to contribute to my HSA when I enroll in Medicare?

 **Contributions**

- You cannot contribute to your HSA when enrolled in Medicare

 **Spending**

- Continue to use for qualified expenses, plus:
  - Medicare premiums
  - Long-Term Care Insurance
  - Long-Term Care Expenses



### Tip from the Experts

Take advantage of the 55+ \$1,000 catch up contribution is a great way to build up funds to be used in retirement when you can't contribute any more into your HSA.



# HSA 101

## Common Questions

What happens to my HSA in the event of my death?

Beneficiary	What happens to the HSA
Spouse	<ul style="list-style-type: none"><li>Your spouse will open their own HSA, if they do not already have one</li><li>The funds from your HSA will be transferred to their account</li></ul>
Someone other than your spouse	<ul style="list-style-type: none"><li>Funds will be disbursed to the beneficiary via check</li><li>Funds are no longer treated as an HSA and become taxable</li></ul>
Your estate	<ul style="list-style-type: none"><li>Funds will be disbursed to the estate via check</li><li>Fair market value of the HSA is included on your final income tax return</li></ul>



### Tip from the Experts

Adding or changing your beneficiary is easy when you use the Participant Portal. Log in and navigate to Profile then locate the beneficiary section. No paperwork needed!



# QUESTIONS



# Important disclosures



Deposit and loan products are offered by Associated Bank, N.A. Loan products are subject to credit approval and involve interest and other costs. Please ask about details on fees and terms and conditions of these products. Property insurance and flood insurance, if applicable, will be required on collateral.

Credit cards are subject to credit approval.

All trademarks, service marks and trade names referenced in this material are the property of their respective owners.

Associated Bank, N.A. Member FDIC.

## Investment, Securities and Insurance Products:

<b>NOT FDIC INSURED</b>	<b>NOT BANK GUARANTEED</b>	<b>MAY LOSE VALUE</b>	<b>NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY</b>	<b>NOT A DEPOSIT</b>
-----------------------------	--------------------------------	---------------------------	---	--------------------------



Associated Benefits Connection is a marketing name used by Associated Bank, N.A. (ABNA). ABNA administers benefit programs sponsored by employers, which include flexible spending accounts (FSAs), health reimbursement accounts (HRAs) and commuter benefits and is subject to pending state licensure and regulatory approval.

Associated Bank is a marketing name Associated Banc-Corp (AB-C) uses for products and services offered by its affiliates. Investment management services are provided by Kellogg Asset Management, LLC® ("KAM"), an SEC-registered investment adviser. KAM and Associated Bank, N.A. are wholly-owned affiliates of Associated Banc-Corp (AB-C). AB-C and its affiliates do not provide tax, legal or accounting advice. Please consult with your tax, legal or accounting advisors regarding your individual situation. (9/21) P04838