

# WINNING WITH AN HSA

Health savings accounts (HSAs)



**HSA**s: *the new*  
RETIREMENT **STRATEGY**

SAVE NOW AND FOR THE FUTURE



**HealthEquity**<sup>®</sup>

# HSA's ARE AN EASY WIN

in today's complex healthcare system



## How an HSA works

An HSA paired with an HSA-qualified health plan allows you to make tax-free<sup>1</sup> contributions to an account eligible for federal insurance.<sup>2</sup> Balances earn tax-free interest and can be used to pay for qualified medical expenses. HSA-qualified health plans typically cost less than traditional plans and the money saved can be put into your HSA.

## HSA's empower savings:

- Lower monthly health insurance premiums
- Money put into your HSA is not taxed
- You earn tax-free interest on HSA balances
- HSA funds used for qualified medical expenses are not taxed
- You can invest your HSA funds for increased tax-free earning potential<sup>3</sup>

## HSA funds remain yours to grow

With an HSA, you own the account and all contributions. Unlike flexible spending accounts (FSAs), the entire HSA balance rolls over each year and remains yours even if you change health plans, retire or leave your employer.

## *You* can win with an HSA

Regardless of your personal medical situation, an HSA can empower you to maximize savings while building a reserve for the future. Contrary to what many may think, healthy individuals aren't the only users who benefit from an HSA.

<sup>1</sup> HSA's are never taxed at a federal income tax level when used appropriately for qualified medical expenses. Also, most states recognize HSA funds as tax-free with very few exceptions. Please consult a tax advisor regarding your state's specific rules.

<sup>2</sup> Your HSA cash balance is held at an FDIC-insured or NCUA-insured institution and is eligible for federal deposit insurance, subject to applicable requirements and limitations.

<sup>3</sup> Investments are subject to risk, including the possible loss of the principal invested, and are not FDIC or NCUA insured, or guaranteed by HealthEquity, Inc. Investing through the HealthEquity investment platform is subject to the terms and conditions of the Health Savings Account Custodial Agreement and any applicable investment supplement. Investing may not be suitable for everyone and before making any investments, review the fund's prospectus.

# HSAs: THE NEW RETIREMENT STRATEGY

## Supplement your retirement

The average American couple will need \$301,000<sup>1</sup> to cover out-of-pocket health care costs in retirement. An HSA can help fill this Medicare gap as well as dental, hearing and vision expenses. Qualified medical expenses remain tax-free,<sup>2</sup> even into retirement. In addition, after age 65, you can use your HSA much like a 401(k) and withdraw funds for any purpose.<sup>3</sup>



## Invest<sup>4</sup> your HSA to maximize your tax-free earning potential

Once your account balance reaches a minimum threshold (based on your account configuration determined by your employer or health plan), you can increase your earning potential by investing any funds over that amount in mutual funds. A comprehensive line-up of mutual funds is offered with options designed to fit your individual needs.



## Take the guesswork out of investing with Advisor<sup>TM</sup> (Powered by: HealthEquity ADVISORS, LLC)

You can manage investments on your own or let Advisor<sup>5</sup> do all of the work. Advisor powered by HealthEquity Advisors, LLC can provide web-based guidance designed to diversify your portfolio and can even manage the trading of mutual funds for you. Investment advice and portfolio management is based on your personal risk preferences, age and financial goals. Additional fees apply.



For more information about investing with Advisor, visit:  
**[HealthEquity.com/Advisor](https://www.healthequity.com/Advisor)**

<sup>1</sup> The average American couple will need \$301,000 to have a 90 percent chance of having enough money to cover out-of-pocket health care costs in retirement. Based on median prescription drug expenses. Source: Employee Benefit Research Institute (<https://www.ebri.org/publications/research-publications/issue-briefs/content/savings-medicare-beneficiaries-need-for-health-expenses-in-2019>)

<sup>2</sup> HSAs are never taxed at a federal income tax level when used appropriately for qualified medical expenses. Also, most states recognize HSA funds as tax-free with very few exceptions. Please consult a tax advisor regarding your state's specific rules.

<sup>3</sup> After age 65, if you withdraw funds for any purpose other than qualified medical expenses, you will be subject to income taxes. Funds withdrawn for qualified medical expenses will remain tax-free.

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<sup>5</sup> Investments available to HSA holders are subject to risk, including the possible loss of the principal invested and are not FDIC or NCUA insured, or guaranteed by HealthEquity, Inc. HealthEquity, Inc. does not provide financial advice. HealthEquity Advisors, LLC<sup>TM</sup>, a wholly owned subsidiary of HealthEquity, Inc. and an SEC-registered investment adviser, does provide web-based investment advice to HSA holders that subscribe for its services (minimum thresholds and additional fees apply). HealthEquity Advisors, LLC also selects the mutual funds offered to HSA holders through the HealthEquity, Inc. platform. Registration does not imply endorsement by any state or agency and does not imply a level of skill, education, or training. HSA holders making investments should review the applicable fund's prospectus. Investment options and thresholds may vary and are subject to change. Consult your advisor or the IRS with any questions regarding investments or on filing your tax return.

# GET STARTED WITH AN HSA TODAY

## 1 Select an HSA-qualified health plan

Enroll in an HSA-qualified plan. These plans typically cost less than traditional plans and provide tax saving opportunities. HealthEquity will work with your employer or health plan to automatically set up your account and supply a HealthEquity<sup>®</sup> Visa<sup>®</sup> Health Account Card<sup>1</sup> to conveniently pay for eligible expenses.

## 2 Add money to your HSA

Fund your HSA through pre-tax payroll deductions or transfer money into your account through the HealthEquity member portal. To take full advantage of tax savings and to build a reserve for the future, consider maximizing your contributions as set by the IRS:

### HSA eligibility

To make tax-free<sup>2</sup> contributions to an HSA, the IRS requires that:

- you are covered by an HSA-qualified health plan.
- you have no other health coverage (such as other health plan, Medicare, military health benefits, medical FSAs).
- you cannot be claimed as a dependent on another person's tax return.

## HSA CONTRIBUTION LIMITS

2021 INDIVIDUAL  
**\$3,600**

2022 INDIVIDUAL  
**\$3,650**

2021 FAMILY  
**\$7,200**

2022 FAMILY  
**\$7,300**

At age 55, an additional  
**\$1,000** is allowed annually.

<sup>1</sup> This card is issued by The Bancorp Bank; member FDIC pursuant to a license from Visa U.S.A. Inc. Your card can be used everywhere Visa debit cards are accepted for qualified expenses. This card cannot be used at ATMs and you cannot get cash back, and cannot be used at gas stations, restaurants, or other establishments not health related. See Cardholder Agreement for complete usage restrictions.

<sup>2</sup> HSAs are never taxed at a federal income tax level when used appropriately for qualified medical expenses. Also, most states recognize HSA funds as tax-free with very few exceptions. Please consult a tax advisor regarding your state's specific rules.

### 3 Watch your HSA grow

Your HSA earns tax-free<sup>1</sup> interest. Maximize your tax-free earning potential by investing HSA funds using the convenient online investment tool.<sup>2</sup>

### 4 Use your HSA for qualified medical expenses

HSA funds can be used for a variety of qualified medical, dental and vision expenses, including:

- Acupuncture
- Birth control
- Chiropractor
- Contact lenses
- Dental treatment
- Prescription eyeglasses
- Fertility enhancement
- Hearing aids
- Lab work
- Medical supplies
- Physical exams
- Prescriptions
- Orthodontia
- Radiology
- Stop-smoking programs
- Surgery (non-cosmetic)
- Therapy
- and more...



You will receive a HealthEquity debit card<sup>3</sup> for easy access to your funds.



For an expanded list of qualified medical expenses, visit:  
**HealthEquity.com/qme**

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# YOU CAN WIN WITH AN HSA

An HSA can benefit Americans from all walks of life and empower savings now and for the future. Contrary to popular belief, you do not have to be healthy or wealthy to benefit from an HSA – just wise! To see how different types of healthcare consumers win, see the link below.

See how you can personally benefit from an HSA:  
[HealthEquity.com/Me](https://HealthEquity.com/Me)

**SAVER**



**SHOPPER**



**SURVIVOR**



**MINIMALIST**



*Who are you?*



# Account mentors

HealthEquity team member  
Salt Lake City, Utah

**We are available to help,  
every hour of every day**

We understand the significance of your benefits selection. Our team of specialists based in Salt Lake City is available 24 hours a day, providing you with insight to help you optimize your health savings account. Call today.

**866.346.5800**

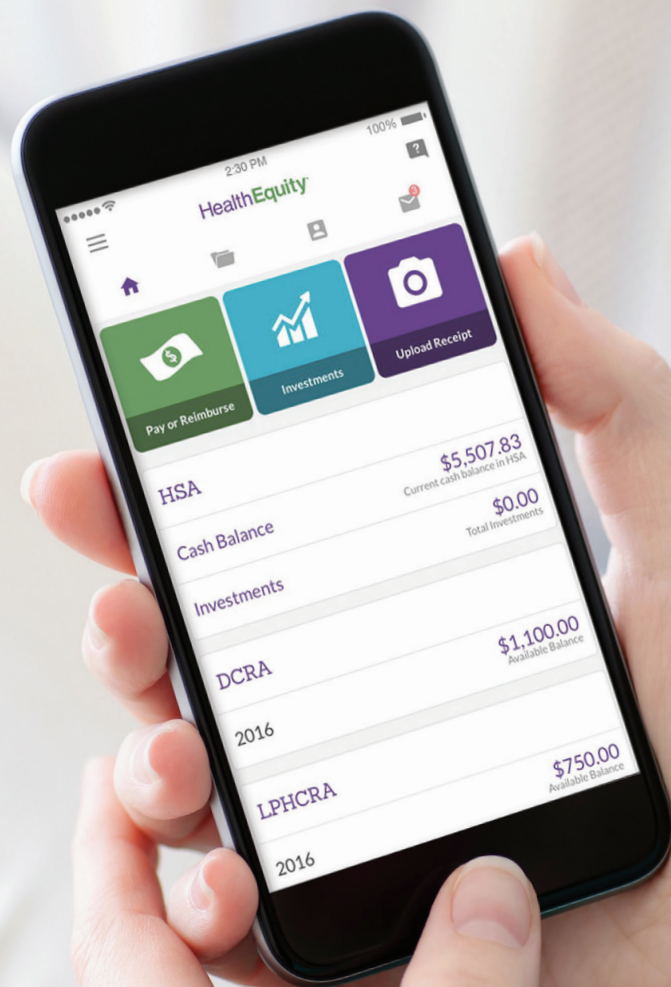
**[HealthEquity.com/HSAlearn](https://HealthEquity.com/HSAlearn)**

# EASY ACCESS to your ACCOUNT WHEREVER you are.



HealthEquity mobile app<sup>1</sup>  
available for FREE at:

- Apple® App Store®
- Google Play™



<sup>1</sup> Accounts must be activated via the HealthEquity website in order to use the mobile app.



## HealthEquity®

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