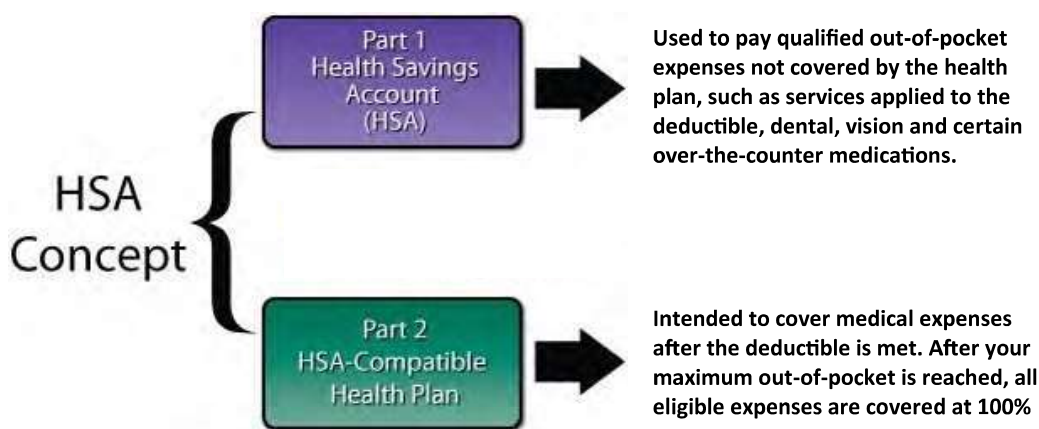


WHAT IS A HEALTH SAVINGS ACCOUNT?

Health Savings Accounts (HSAs) are tax-exempt accounts where funds grow to pay for medical expenses. They were created to help give control back to consumers and lower healthcare costs. HSAs provide a financial incentive for consumers to select an HSA-compatible health plan. These plans have lower monthly premiums than traditional plans. The combination of the two provides consumers with more incentive to shop carefully for healthcare services.



An HSA is your account. If you switch jobs, the HSA goes with you. Your money rolls over every year. There is no "use it or lose it" requirement.

HSA-Compatible Health Plans - Contribution Limits & IRS Guidelines

In order to open an HSA, you must have a qualified HSA-compatible health plan. The IRS determines the guidelines for these plans and they are as follows:

IRS Limits for 2021		
	Single Plan	Family Plan
Minimum Deductible	\$1,400	\$2,800
Maximum Out-of-Pocket	\$7,000	\$14,000
Contribution Limit	\$3,600	\$7,200
Catch-Up Contribution (55 or older)*	\$1,000	\$1,000

* If a spouse is also 55 or older until enrolled in Medicare, a second HSA may be established in spouse's name and a second contribution of \$1,000 could be made to that account.

IRS Limits for 2022		
	Single Plan	Family Plan
Minimum Deductible	\$1,400	\$2,800
Maximum Out-of-Pocket	\$7,050	\$14,100
Contribution Limit	\$3,650	\$7,300
Catch-Up Contribution (55 or older)*	\$1,000	\$1,000

* If a spouse is also 55 or older until enrolled in Medicare, a second HSA may be established in spouse's name and a second contribution of \$1,000 could be made to that account.

Why Open an HSA?

Flexible Options

- Even if your HSA-compatible coverage ends, you can still use your HSA funds tax-free for future eligible medical dental, & vision care expenses.
- Contributions can come from employers, accountholders, or third parties, until your Federal Tax Filing deadline for the prior Calendar Year if indicated as that Calendar Year's Contribution.
- There is no "use it or lose it" philosophy. If you don't use it, save it for next year. Or better yet, for retirement.
- You can fund your HSA with an existing HSA, MSA, or IRA.
- You're in control. You choose when to use your HSA or pay out-of-pocket.
- **After age 65**, HSA funds can be used for non-qualified expenses and only income tax is assessed.

Tax Advantages

- HSA contributions are tax-free or third-party or tax-deductible.
- Withdrawals are tax-free when used to pay for qualified medical, dental, & vision care expenses. See Internal Revenue Code Section 213(d) list attached
- Earnings grow tax-deferred.

Long-term Investment Opportunities

- HSA funds can be invested for greater earning potential.
- Choose from a wide variety of stocks, bonds and mutual funds (fees and charges may apply)

Contributions

When you have a qualifying HDHP, the following contribution guidelines apply.

- Anyone can contribute to your HSA.
- Your contributions are tax deductible.
- If your employer contributes to your HSA, that contribution is done on a pre-tax basis.
- Any pay-roll reductions made through Section 125 for your HSA are also on a pre-tax basis.
- You may contribute the annual maximum amount as determined by the IRS, regardless of your qualified health plan's deductible. The maximum for 2022 is \$3,650 for individuals and \$7,300 for families.
- You may contribute the annual maximum amount determined by the IRS, regardless of when your coverage begins, if you maintain coverage for the 12 month period beyond the calendar year in which you first became eligible. The maximum for 2022 is \$3,650 for individuals and \$7,300 for families.
 - Example: if you have individual coverage that begins in November 2022, you may contribute \$3,650 for 2022, when you maintain coverage through the end of 2023.