

HSA WHAT? SAVINGS!

HOW THE HSA WORKS

When you elect coverage under one of the high deductible health plans (HDHPs), you have the option of opening a health savings account (HSA).^{*} Your HSA can help pay for eligible health care medical, dental, and vision expenses, along with expenses not covered by the plan, such as your deductible. (HSA-eligible expenses are described in IRS Publication 502, or you can find a list of specific qualified medical expenses on the Health Equity website.)



For 2019/2020, if you are an active employee, you can contribute up to \$3,500 for individual coverage and \$7,000 for family coverage (less any contributions made by your employer) on a pre-tax basis. If you are 55 or older, you may also make an additional \$1,000 “catch-up” contribution.



Tax Deductible

- Contributions are deductible
- Employer can contribute



Tax-Free Withdrawals

- For qualified medical expenses—forever!
- Dental & vision expenses qualify



Tax-Deferred Growth

- Funds grow with no tax liability
- After age 65 can be used like a retirement account

Note: Even if you stop participating in an HDHP, or if you leave your job, you will still be able to use the money in your HSA to pay for qualified expenses. The money is yours to keep.

Learn how to maximize your HSA savings by visiting:

www.healthequity.com/learn/

QUESTIONS?

Contact HealthEquity:

866-346-5800

www.healthequity.com

EXAMPLE: INDIVIDUAL TAX SAVINGS

For 2019, a single person making \$40,000 would reduce their federal and Arizona state taxes by approximately \$640 for the year by contributing the maximum of \$3,500 into an HSA.

HSA ELIGIBILITY

To be eligible to contribute to the HSA, you must meet the requirements as stated under IRS Publication 969. Some of the common requirements include:

- You are covered under a qualified high deductible health plan (HDHP).
- You are not also covered by a spouse’s non-HDHP employer plan.
- You aren’t enrolled in Medicare or other non-qualified healthcare plan.
- You can’t be claimed as a dependent on someone else’s tax return.

For complete rules and requirements, please contact the IRS or visit: www.irs.gov/publications/p969.

**If enrolling in an HSA, you may need to complete additional forms. If applicable, these will be provided during your open enrollment meeting, and should also be available from your benefits department.*