

## HSA 101: The ABCs of the HSA

It's your money

Save it smarter in your  
BenefitWallet® HSA

# Welcome – here's what we'll cover in HSA 101

1

What is a  
Health Savings  
Account?

2

Three ways  
to use your  
HSA

3

Easy steps  
you can take  
to get started

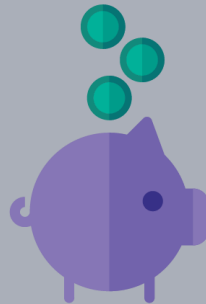
# What is a Health Savings Account?



A special bank account for your health care expenses



SAVE



PAY



Doctor  
office  
visits

Special  
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Visio  
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Medicati  
on

# What are the key benefits of your HSA?



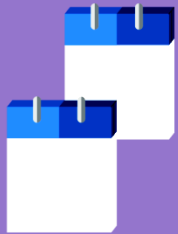
## **Always tax free**

Money in, money out, investment gains



## **Invest your balance**

Once your HSA reaches \$1,000



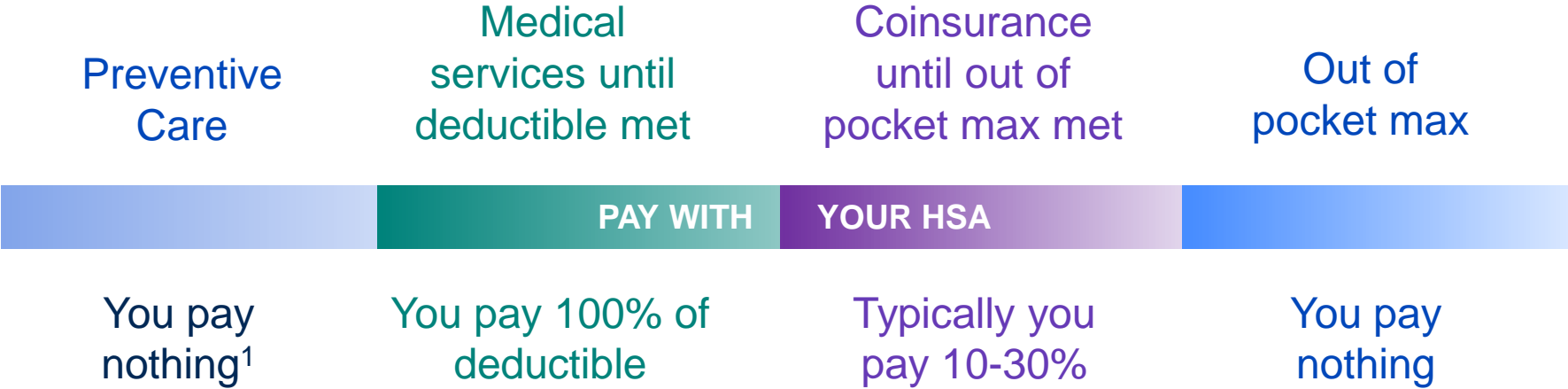
## **Use any time, now or in retirement**

You own the account and funds never expire

## Quick overview: Common health care terms

<b>Premium</b>	Your share of the monthly cost of your insurance plan.
<b>Preventive Care</b>	Annual physicals, OB/GYN, well baby, and medical screenings.
<b>Deductible</b>	The money you pay before your health plan pays a portion of your costs.
<b>Coinsurance or Copayment</b>	A percentage or flat dollar amount you pay for services after you pay your deductible.
<b>Claim</b>	A claim is submitted to your insurance plan for services. Your benefits and discounts are applied to determine what you owe.
<b>Out-of-Pocket Limit</b>	The annual limit for your share of costs; once you reach this amount you pay no more for health care that year.

# How your HSA works with your health plan



<sup>1</sup> Check with your employer or health plan for exact details of annual services that are covered at no cost.



Three great ways  
to use your HSA



# Using your HSA: It's more than just a spending account

## **HSA** Health Savings Account

1

### **Health care discounts today**

Pay for a broad range of eligible medical expenses

2

### **Save for tomorrow**

Build your health care safety net with tax free money

3

### **Invest for retirement**

Invest in your HSA and save for what's next



# Save on health care today and know what qualifies

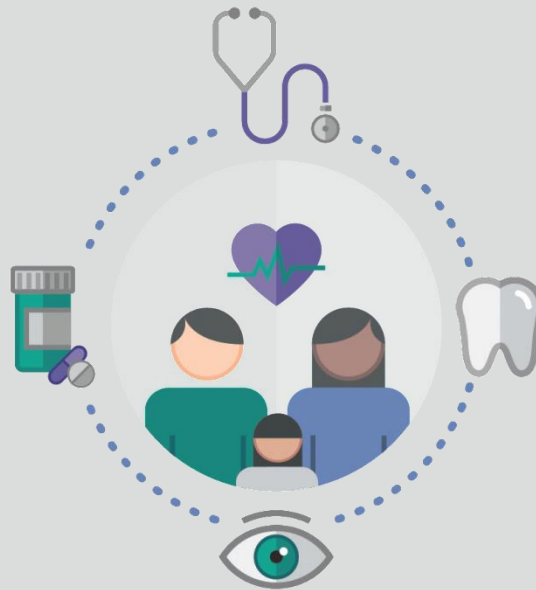
Doctor's visits

Lab tests

Prescriptions and  
OTC medications

Hospital costs

Dental care



Orthodontia

Eye exams,  
glasses and  
contacts

Acupuncture

Chiropractic care

Learn more at [mybenefitwallet.com](https://mybenefitwallet.com)

1

Give yourself a health care discount



\$85



\$65



\$150



\$100

No HSA

1

Save up to 35% or more with your HSA



~~\$85~~

\$55



~~\$65~~

\$42



~~\$150~~

\$98



~~\$100~~

\$65

With HSA

# 1

## How do the tax savings work?

Without an HSA, the \$6,900 in annual out-of-pocket health care costs for a family could cost you \$8,763 of income!



**\$6,900**

**out-of-pocket costs:  
average annual  
costs for a family**



**\$1,656**  
**federal taxes**



**\$207**  
**state taxes**



**\$8,763**

**income to  
cover \$6,900  
of expenses**

\*Please consult a tax advisor with questions. The illustrative example assumes 24% federal and 3% state tax. Actual savings vary. Payroll tax (if applicable) not included.

Source: 2020 Milliman Medical Index.

# 2

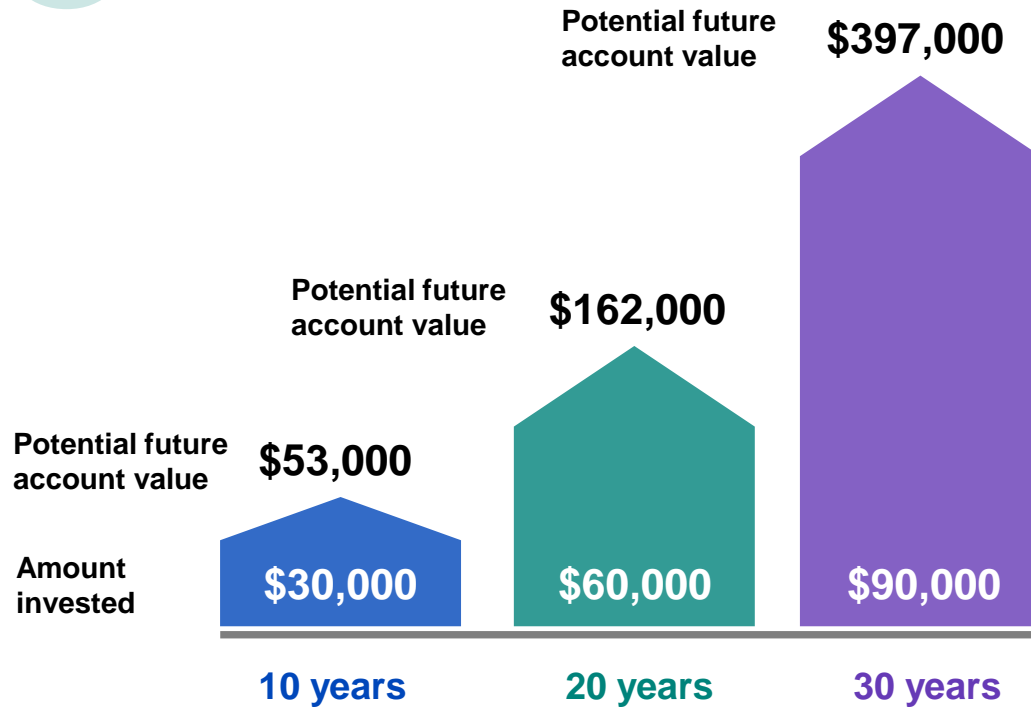
## How much could you save?

Amount contributed annually	Balance after number of years shown			
	3	5	10	20
<b>\$500</b>	\$1,500	\$2,500	\$5,000	\$10,000
<b>\$1,000</b>	\$3,000	\$5,000	\$10,000	\$20,000
<b>\$2,500</b>	\$7,500	\$12,500	\$25,000	\$50,000
<b>\$5,000</b>	\$15,000	\$25,000	\$50,000	\$100,000
<b>\$7,000</b>	\$21,000	\$35,000	\$70,000	\$140,000

Assumes funding amounts shown are deposited each year and no withdrawals are made. Contribution limits vary based on coverage type and you may not be eligible to deposit these amounts.

# 3

## Invest for tomorrow – like a 401(K) for health care



### Sweeten retirement

In this example, invest \$3,000 per year and take advantage of the investment potential of your HSA

### Use it any time

Unlike a 401(k), use the funds for health care expenses any time, today or in retirement

Note: Assumes \$3,000 is placed in the investment account each year for either 10, 20, or 30 years and earns 8% annual return. All returns and principal remain invested each year. BenefitWallet is not recommending any investment, nor can it assure you of a profit or protect you against any loss on any investment made via the BenefitWallet investment platform.

Investments are not FDIC insured, not guaranteed, and may lose value.

# Choose from highly-rated, low-cost investment funds



## Investing strategies for all

- Passive Index and Target Date solutions for inexperienced investors
- Active strategies for investors building their own portfolio



## Name-brand investment choices

- 30 high-quality mutual fund choices covering all the major Morningstar fund categories
- Low-cost Index and Target Date funds



## Low expense ratio

- Lower cost means more money saved
- Helps you maximize your savings potential

Investments are not FDIC insured, not guaranteed, and may lose value.



Easy steps  
to get started  
with your HSA



# HSA eligibility requirements

To qualify for an HSA, you must meet the following eligibility requirements. Talk with your HR team if you aren't sure you qualify or review IRS publication 969 for complete requirements.



Covered by your employer's high deductible health plan that's HSA-eligible



Aren't enrolled in any other health coverage, including Medicare or Tricare



Cannot be claimed as a dependent on someone else's tax return

View IRS Publication 969: <https://www.irs.gov/publications/p969>

# Decide how you will use your HSA



Give yourself a discount on today's health care costs

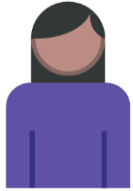


Save on today's costs and begin building your safety net



Maximize your deposits; save and invest for the future

# Fund your account – 2021 IRS contribution limits



**\$3,600**  
Single  
coverage



**\$7,200**  
Family  
coverage



**Plus, an extra \$1,000**  
if you are age 55 or older



## Potential funding sources for your HSA

1. Payroll deductions
2. Online transfers from your bank account
3. One-time IRA rollover
4. Better budgeting: spend less on takeout or make your own coffee!
5. Transfer from another HSA (not subject to annual limit)

# Pay with your HSA debit card – the simplest, safest way

- ✓ At point of service
- ✓ After claim is processed



## Extra Tips:

1. If you have an eligible medical expense incurred on or after your enrollment in the HSA plan, but don't have the funds in your account, pay yourself back later when you do.
2. Build your balance and pay yourself back anytime in the future.
3. Save your receipts in case you are audited.



# Register on the member portal; download the mobile app

The screenshot displays the BenefitWallet member portal. At the top, the user is identified as JULIA. The main navigation bar includes Home, My Account(s), My Money, Resource Center, and Contact Us. The primary account information is for an HSA (Health Savings Account) with a Total Value of \$34,022.19, Available balance of \$1,500.74, and Investments of \$32,521.45. Below this, there are three tabs: HRA (\$2,000.00), FSA (\$994.00), and DCFA (\$1,978.00). The main content area is divided into sections: 'My Contributions' for 2020, showing a \$3,550 Individual Coverage Limit and a \$7,100 Family Coverage Limit; 'My Balance' with a line graph for February 2020; and a notification to 'Update your email and other personal information'. A task bar at the bottom offers actions like 'Make an HSA Contribution', 'Reimburse Myself', 'Pay a Provider', etc.

## Member Portal

Register and visit the site at [mybenefitwallet.com](https://mybenefitwallet.com)

The screenshot shows the BenefitWallet mobile app interface. The top section is titled 'ACCOUNTS' and displays a 'Health Savings Account (HSA)' with an available balance of \$5,009.98. Below this, it shows 'Investment Total\*' as \$0.00 and 'Total\*' as \$5,009.98. The 'ACTIONS' section includes icons for 'PAY A PROVIDER', 'REIMBURSE MYSELF', and 'MAKE CONTRIBUTION'. The 'RECENT ACTIVITY' section shows a list of transactions: '30 APR Interest Posted Through 04/30... \$4.10' and '31 MAR Interest Posted Through 03/31... \$4.24'.

## Mobile App

Available for iOS and Android



# Get started today!



## Set up

regular payroll or  
online contributions



## Create

your BenefitWallet  
User ID and Password  
at [mybenefitwallet.com](https://mybenefitwallet.com)



## Activate

your HSA debit card



## Learn

more about HSAs at  
[mybenefitwallet.com](https://mybenefitwallet.com)



BenefitWallet®

