

TAKE CONTROL OF YOUR HEALTH CARE COSTS

WHATEVER YOUR SITUATION, THE HSA CAN HELP

THE THEORY

Like its name suggests, a health savings account (HSA) helps you pay for current, qualified health care expenses and save for future expenses. You can contribute funds pre-tax through payroll deductions* and watch these funds grow tax-free over time, much like you do with a 401(k).

MICHELLE

25 / Single / Runner

Because Michelle leads a healthy life, she rarely has to visit a doctor, although she does have an annual preventive care exam.

ENRIQUE

40 / Married / 2 Kids

In addition to the family's annual preventive care visits, Enrique's wife comes down with the flu and his daughter Sofia needs braces.

TONY & CHERIE

55 / Married / No kids

Tony takes a maintenance medication to manage his diabetes, while Cherie needs new glasses.

IN PRACTICE

	Michelle	Enrique	Tony & Cherie
HSA Annual Employer Contribution	\$480	\$480	\$480
HSA Monthly Employee Contribution	\$75.00	\$408.33	\$408.33
HSA Annual Employee Catch-Up Contribution*	N/A	N/A	\$1,000.00
Total Annual HSA Contribution	\$1,380	\$4,900	\$6,380
Annual Projected Health Care Costs	\$500.00	\$3,000.00	\$4,000.00
Remaining HSA Funds That Roll Over to Following Year	\$880	\$1,900	\$2,380

THE NITTY-GRITTY

You can use the HSA to pay for the following qualified health care expenses tax-free:

- Qualified medical, dental and vision expenses not covered by the plans, as defined by the IRS in Publication 502, available online at <http://www.irs.gov/pub/irs-pdf/p502.pdf>
- COBRA premiums
- Qualified long-term care insurance and expenses
- Health insurance premiums when receiving unemployment compensation
- Medicare and retiree health insurance premiums (not Medicare Supplement premiums)
- Medigap insurance premiums

If you have questions, please visit <http://www.irs.gov/pub/irs-pdf/p969.pdf> for more information, or contact your local HR representative.

* Note: Annual HSA contributions may not exceed \$4,150 (2024) for single coverage and \$8,300 (2024) for family coverage. Individuals age 55 and older may make additional catch-up contributions up to an additional \$1,000.

