

**HealthEquity®** | Health Savings Account (HSA)

# Harness the power of an HSA

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HealthEquity does not provide legal, tax or financial advice. Always consult a professional when making life-changing decisions.

# Save \$1,500+

Families that contribute the max to their Health Savings Account (HSA) can save more than \$1,500\* on qualified medical expenses.

\*The example used is for illustrative purposes only; actual savings may vary. The figure is based on average tax rate of 20%, including state, federal and FICA taxes. | Savings based on contributing the maximum family amount of \$7,750.



# Why choose an HSA?

1

## Save on premiums

Unlock immediate savings with lower premiums while still enjoying the same doctors, networks and negotiated discounts.

2

## Maximize tax savings

Your HSA earns tax-free<sup>1</sup> interest and you never pay taxes or penalties when you withdraw HSA dollars for qualified expenses.

3

## Keep your money—forever

Money in your HSA rolls over year after year—even if you change employers or health plans.

4

## Save for retirement

Invest<sup>2</sup> your HSA dollars into low-cost mutual funds, then watch your earnings grow tax-free.

<sup>1</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 deductible with very few exceptions. Please consult a tax advisor regarding your state's specific rules. | <sup>2</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. 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 Funds withdrawn for qualified medical expenses will remain tax-free.

# The only account with a triple-tax advantage

1. Contribute tax-deductible funds<sup>1</sup>
2. Grow tax-free earnings
3. Enjoy tax-free distributions

<sup>1</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 deductible with very few exceptions. Please consult a tax advisor regarding your state's specific rules.



# The more you contribute – the more you save

IRS Contribution Limits

Coverage level	Contribution limit	Tax savings*
Individual	\$3,850	\$770
Family	\$7,750	\$1,550
Age 55+	\$1,000 catch-up	\$200 extra

Employer contribution

Annual contribution amount
<< \$X,XXX >>
<< \$X,XXX >>

\*Estimated savings are based on an assumed combined federal and state income tax bracket of 20%. Actual savings will depend on your taxable income and tax status.



# Let's break it down

Individual Plan | Contribution Limit \$3,850

If you are on an individual HSA,  
because your employer contributes

<< \$X,XXX >>

To reach the annual maximum contribution,  
you will need to contribute an annual amount of

<< \$X,XXX >>



# Let's break it down

Family Plan | Contribution Limit \$7,750

If you are on a family HSA,  
because your employer contributes

<< \$X,XXX >>

To reach the annual maximum contribution,  
you will need to contribute an annual amount of

<< \$X,XXX >>





What expenses  
are NOT qualified to  
spend HSA funds on?

- A. Doctor's visits
- B. LASIK surgery
- C. Acupuncture
- D. Over-the-counter medication





These are all eligible expenses

# Save by spending on eligible expenses



## Medical care

- Doctor visits and copays
- Hospital services
- Prescriptions



## Vision

- Eye exams
- Prescription glasses/contacts
- LASIK surgery



## Dental

- Teeth cleaning
- Dental reconstruction
- Orthodontia



## Personal health

- Over-the-counter pain relievers
- Feminine care products
- Personal protective equipment\*

\*If used for the primary purpose of preventing spread of COVID-19



## Alternative care

- Chiropractic care
- Acupuncture
- Massage\*

\*May require letter of medical necessity

[HealthEquity.com/QME](https://HealthEquity.com/QME)

# HSA qualifications

- ✓ Covered only by an HSA-qualified health plan
- ✓ No access to a full-purpose FSA
- ✓ Not claimed as a dependent on anyone's tax return
- ✓ Not enrolled in Medicare



# Meet Camilla

Individual Plan | Contribution Limit \$3,850

She decides to use the money she saves on premiums to fund an HSA.

Camilla  
contributes

**\$2,400**

Her annual tax  
savings<sup>1</sup> are

**\$480**

<sup>1</sup>Assumes Camilla pays 20% of her income in federal, State and social security taxes. Actual tax savings may vary and will depend on your HSA contributions, applicable State tax rates and your personal tax situation. Please consult your tax adviser for details.  
The example used is for illustrative purposes only.





# Camilla's HSA savings

After five months of contributing to her HSA, she received a \$700 hospital bill, and is interested to see how much she saved.

## Without an HSA

+ \$1,000 from paycheck

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- \$200 to taxes

---

- \$700 hospital bill

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**\$100**

leftover

## With her HSA

+ \$1,000 in HSA

---

- \$0 to taxes

---

- \$700 hospital bill

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**\$300**

left to rollover

Assumes Camilla pays 20% of her income in federal, State and social security taxes. Actual tax savings will depend on your HSA contributions, applicable State tax rates and your personal tax situation. Please consult your tax adviser for details. The example used is for illustrative purposes only.



# Meet Evan & Mia

Family Plan | Contribution Limit \$7,750

They decide to maximize their tax savings and start building their health savings.

Mia and Evan  
contribute

**\$7,750**

Their annual  
tax savings<sup>1</sup> are

**\$1,550**

<sup>1</sup>Assumes Mia & Evan pay 20% of their income in federal, State and social security taxes. Actual tax savings will depend on your HSA contributions, applicable State tax rates and your personal tax situation. Please consult your tax adviser for details. The example used is for illustrative purposes only.





# Evan & Mia's HSA savings

After \$5,000 in healthcare expenses for the year, they're curious how much they can rollover and invest<sup>1</sup> the following year.

Without an HSA

+ \$7,300 from paycheck

- \$1,550 to taxes

- \$5,000 in expenses

**\$1,200**  
leftover

With their HSA

+ \$7,750 in HSA

- \$0 to taxes

- \$5,000 in expenses

**\$2,750**  
left to rollover

<sup>1</sup>Minimum account thresholds may apply before being able to invest. Investments made 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. 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. 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.  
<sup>\*</sup>Assumes Camilla pays 20% of her income in federal, State and social security taxes. Actual tax savings will depend on your HSA contributions, applicable State tax rates and your personal tax situation. Please consult your tax adviser for details.





How are you preparing  
now for medical costs  
in retirement?

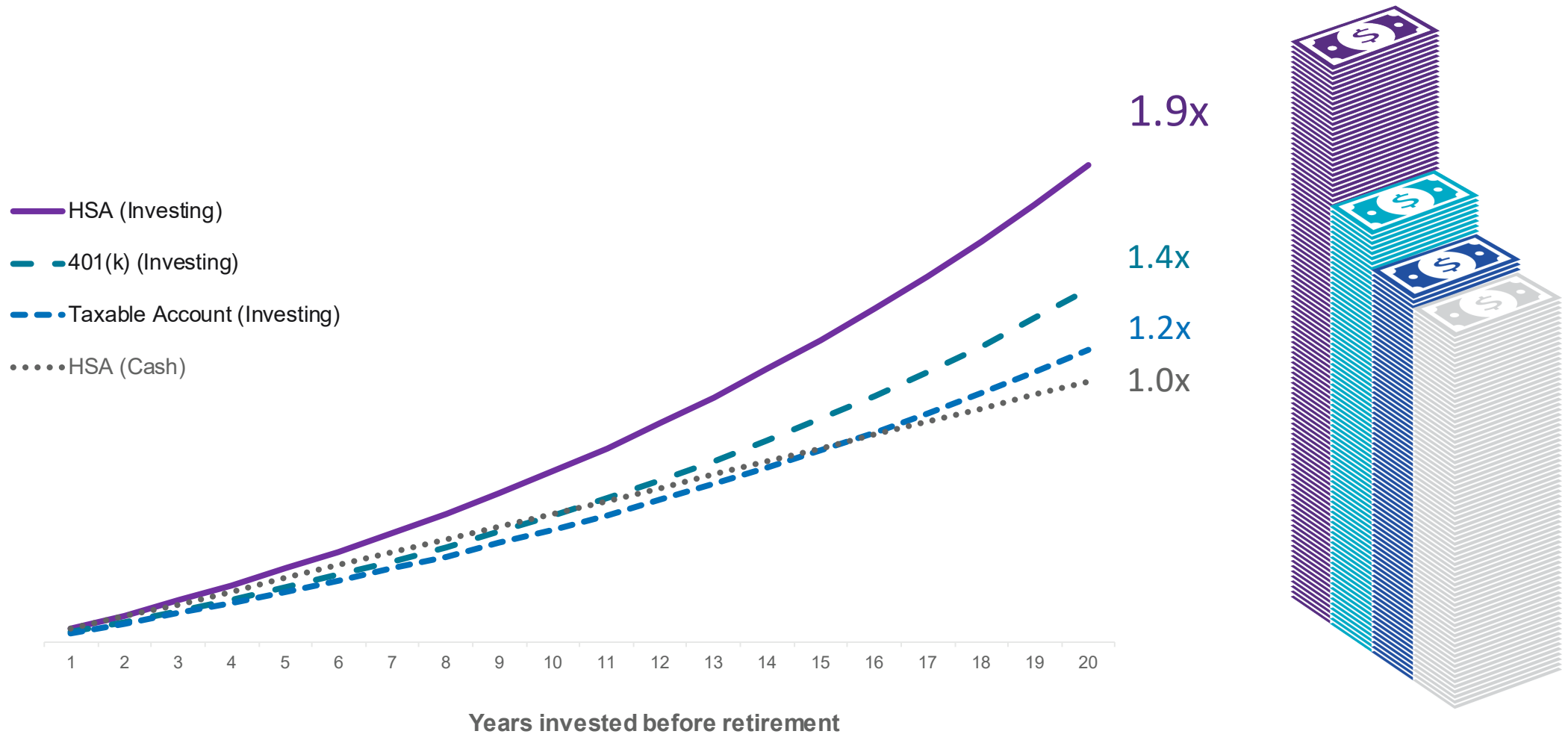
- A. Contributing to an 401(k)
- B. Contributing to an HSA
- C. Contributing to a Roth IRA
- D. Living a healthy lifestyle  
through diet and exercise





The average couple will need about \$300,000  
to cover OOP healthcare costs in retirement

# INVESTING HSA FUNDS CAN PRODUCE UP TO 90% MORE QME\* FUNDS AT RETIREMENT



\*QME stands for Qualified Medical Expenses identified in IRS Pub. 502 and the Cares Act of 2020. | Note: The example used is for illustrative purposes only. The example assumes the account holder is: (1) saving and not spending the monthly contribution of \$416.67 (\$5,000 per year) (2) continuously investing the balance and the minimum investment threshold is met (3) that the chosen investments produce an average 6% return annually (4) pre-retirement all-in income taxes assumed to be 30% (5) post-retirement income tax assumed to be 20% with no assumed payroll taxes. | 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.

# Build the ultimate retirement nest egg

1

## Simplicity

Access the easy-to-use investment platform within your HealthEquity member portal.

2

## Low cost

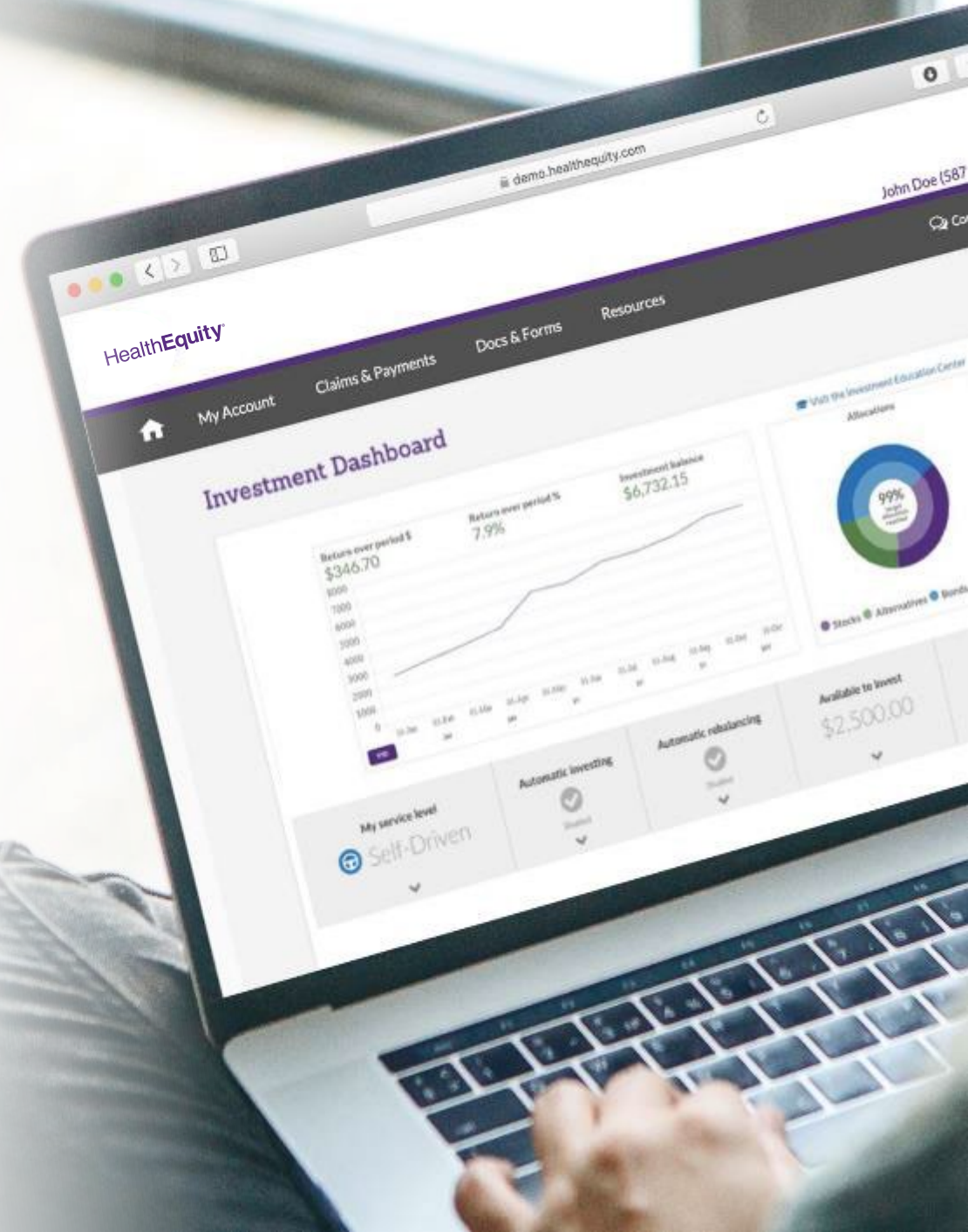
Other than the monthly investment admin. fee and the respective mutual fund expense ratio there are no trading costs, commissions or fund minimums.

3

## Confidence






Take advantage of web-based automated investing<sup>1</sup> advice and recommendations.

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# Options for investors of all confidence levels

Whether you're ready to manage your own portfolio or need a little help – we provide access to tools to help you invest with confidence.

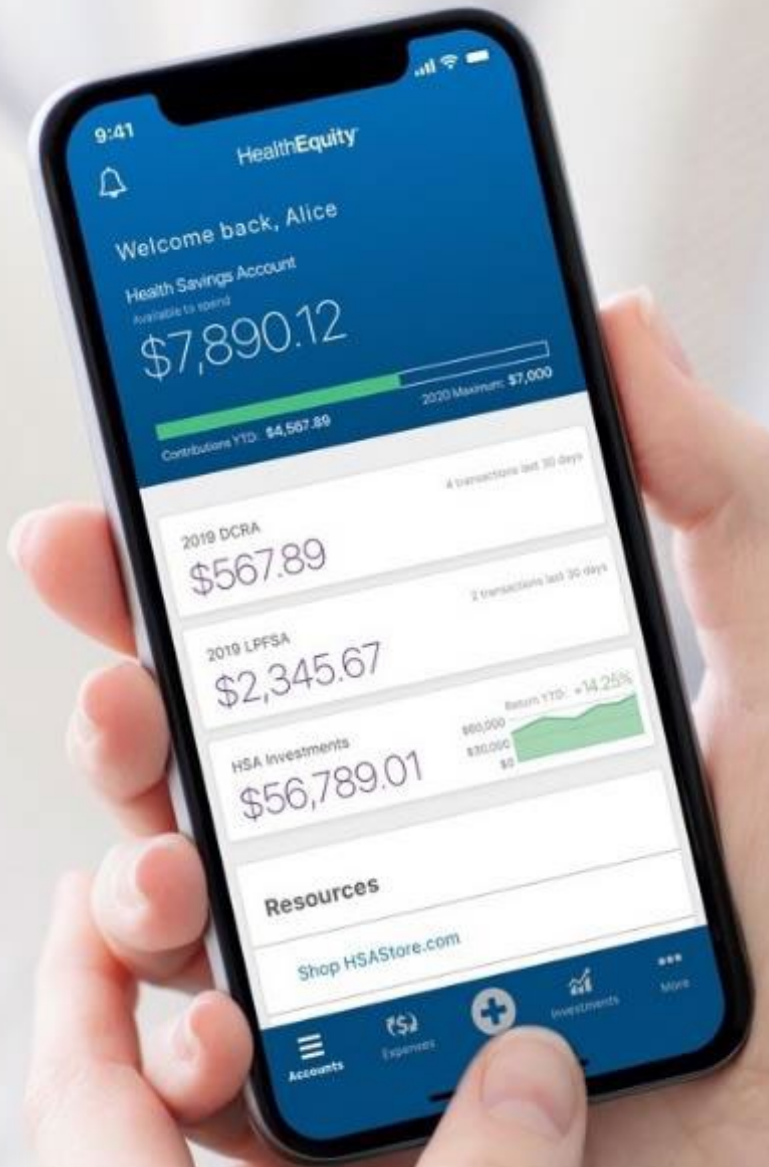
 Powered by: HealthEquity Advisors	 <b>AutoPilot</b> Automated fund management based on personal risk profile.
	 <b>GPS</b> Guidance provided for fund management, implemented by account holder.
	 <b>Self-driven</b> Manage your own funds.

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. HSA holders may select mutual funds for investment through the HealthEquity investment platform but HealthEquity, Inc. does not provide investment advice. HealthEquity Advisors, LLC, a wholly owned subsidiary of HealthEquity, Inc. and an SEC-registered investment adviser, provides web-based investment advice to HSA holders that subscribe for its services (minimum thresholds and additional fees apply). Registration does not imply endorsement by any state or agency and does not imply a level of skill, education, or training. Investing may not be suitable for everyone. You should carefully consider the investment objectives, risks, charges and expenses of any mutual fund before investing. A prospectus and, if available, a summary prospectus containing this and other important information can be obtained by visiting the fund sponsor's website. Please read the prospectus carefully before investing.



# Say goodbye to hassle with the HealthEquity app

- ✓ On-the-go access and history<sup>1</sup>
- ✓ Photo documentation
- ✓ Send payments and reimbursements
- ✓ Manage debit card transactions
- ✓ Initiate claims and view their status



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

# Enrollment made easy

Save the date

<< xx/xx/xxxx >>

Choose an HSA-qualified plan

<< Plan 1 >>

<< Plan 2 >>

<< Plan 3 >>

<< Plan 4 >>

Enroll here

<< custom URL >>



# Questions?

We're here for you 24/7  
866.735.8195

[HealthEquity.com/Learn](https://HealthEquity.com/Learn)



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