

Health savings account

(HSA)





What's an HSA?


A health savings account (HSA) helps you save smarter through all stages of life. It lets you use income tax-free dollars to pay for qualified medical, dental and vision expenses.


Your HSA dollars are yours to keep. Balances carry over from year-to-year, to new jobs and even into retirement.


You're eligible for an HSA if you:

-  Aren't covered by any other health plan that is not a high-deductible health plan (HDHP)

-  Are not enrolled in Medicare, TRICARE or TRICARE for Life

-  Haven't received Veterans Affairs (VA) benefits within the past 3 months, except for preventive care; if you have a disability rating from the VA, this exclusion doesn't apply

-  Can't be claimed as a dependent on someone else's tax return

-  Don't have a health care flexible spending account (FSA) or health reimbursement arrangement (HRA). Note: Alternative plan designs, such as a limited-purpose FSA or HRA, might be permitted

.....

Other restrictions and exceptions may also apply. We recommend that you consult a tax, legal or financial advisor to discuss your personal circumstances.

How an HSA helps you save money

HSAs are triple tax advantaged accounts, helping you save, earn and spend income tax-free:



Contribute income tax-free money to your account (up to IRS limits) and adjust at any time during the year.



Grow your savings with income tax-free interest and investment growth



Spend your HSA dollars on thousands of qualified medical expenses, like glasses, prescription refills and doctor visits — all income tax-free

*Assuming 22% federal income tax and 7.65% FICA. Results and amount will vary depending on your particular circumstances.

An example of savings potential

Here's how much Jai, age 27, could save with her HSA

Because she hasn't had many medical expenses, Jai decided not to touch her HSA balance during her first year. Once she turns 40, she begins using \$500 each year to cover her health costs.



Monthly contribution	\$100
Balance at the end of the first year	\$1,200
Balance at age 65	\$33,800
Annual income tax savings	\$356*



Smart tip: Go to optum.com/library for calculator tools to help determine the right contribution amount for you.

Contribute

Things to consider when choosing your contribution amount:

Do you have any ongoing prescriptions?

Do you have any planned procedures or surgeries?

Is someone in your family getting braces?

How much is your health plan deductible?

Are you considering starting a family?

When do you plan to retire?

Health savings account contribution summary

IRS 2025 contribution limits	Individual coverage	Family coverage
Maximum HSA contribution level	\$4,300	\$8,550
Minimum deductible for qualifying high deductible health plan (HDHP)	\$1,650	\$3,300
Maximum out-of-pocket expenses for HDHP	\$8,300	\$16,600



**Curious how much you're able to contribute?
View this year's contribution limits at optumfinancial.com.**

Grow: Investing in your HSA

Once you reach the investment threshold, there are options available for every type of investor:

- 1. Mutual funds** – if you'd like to choose from a preselected list of funds
 - A diverse variety of mutual funds
 - High Morningstar ratings
 - Low expense ratios
- 2. Digitally managed investments** – if you're short on time or need help
 - Online investment support from Betterment
 - Brief questionnaire on goals, risk profile
 - Low-cost exchange traded funds (ETFs)
 - Auto-deposits and automated rebalancing

*Hypothetical example for illustrative purposes only. Amounts will vary depending on your unique circumstances. Account holders must meet the minimum balance to begin investing, this amount may vary, check your online account or plan documents. Investments are not FDIC insured, are not bank issued or guaranteed by Optum Financial or its subsidiaries, including Optum Bank, and are subject to risk including fluctuations in value and the possible loss of the principal amount invested.

An example of savings potential













Here's how early investment can pay off

Let's say you contribute \$3,000/year to your HSA until retirement. Assuming you use \$1,500/year for medical expenses, earn 7% a year in interest and investments, and reinvest all earnings, your savings can really add up. The earlier you start, the more potential you have:

Starting age	HSA value at age 65*
25	\$320,420
35	\$151,613
45	\$65,799
55	\$22,176

Spend

Examples of HSA-qualified medical expenses:

 Acupuncture	 Nursing services	 Rx drugs and refills
 Chiropractic care	 Orthodontia (non-cosmetic)	 Psychiatric care
 Eye exams, glasses, contacts	 Physical exams	 Sunscreen (SPF 15+)
 Flu shots	 Physical therapy	 Wheelchairs, walkers, crutches and canes



Use the qualified medical expense tool at optum.com/qualifiedexpenses to review a full list.

Optum Financial[®]

Optum is a registered trademark of Optum, Inc. in the U.S. and other jurisdictions. All other brand or product names are the property of their respective owners. Because we are continuously improving our products and services, Optum reserves the right to change specifications without prior notice. Optum is an equal opportunity employer.

© 2024 Optum, Inc. All rights reserved.

Investments are not FDIC insured, are not bank issued or guaranteed by Optum Financial or its subsidiaries, including Optum Bank, and are subject to risk including fluctuations in value and the possible loss of the principal amount invested.

Health savings accounts (HSAs) are individual accounts largely held at Optum Bank®, Member FDIC, and administered by Optum Financial, Inc. or ConnectYourCare, LLC, an IRS-Designated Non-Bank Custodian of HSAs, a subsidiary of Optum Financial, Inc. Neither Optum Financial, Inc. nor ConnectYourCare, LLC is a bank or an FDIC insured institution. HSAs are subject to eligibility requirements and restrictions on deposits and withdrawals to avoid IRS penalties. State and/or local taxes may still apply. Fees may reduce earnings on account. Refer to your HSA account agreement for details.

Flexible spending accounts (FSAs), dependent care assistance programs (DCAPs), health reimbursement arrangements (HRAs), Commuter and Parking Benefits, Tuition Assistance Plans, Adoption Assistance Plans, Surrogacy Assistance Plans, Wellness Benefits, and Lifestyle Accounts (collectively, “Employer-Sponsored Plans”) are administered on behalf of your plan sponsor by Optum Financial, Inc. or ConnectYourCare, LLC and are subject to eligibility and restrictions. Employer-Sponsored Plans are not individually owned and amounts available under the Employer-Sponsored Plan are not FDIC insured.

This communication is not intended as legal or tax advice. Consult a legal or tax professional for advice on eligibility, tax treatment and restrictions. Please contact your plan administrator with questions about enrollment or plan restrictions.

© 2024 Optum, Inc. All rights reserved. WF13561946 321333-061524 OHC