

HSA

Health Savings Account

Quick Facts



Who is eligible for an HSA?

- Anyone covered under a high-deductible health plan (HDHP)
- Anyone NOT covered by any other non-HDHP plan
- Anyone NOT enrolled in Medicare
- Anyone NOT claimed on another person's tax return

What is a High Deductible Health Plan (HDHP)?

HDHP's have a higher annual deductible than traditional health plans. The minimum annual deductible and the maximum out-of-pocket limit are updated annually by the Internal Revenue Service (IRS) to account for inflation. The requirements for 2010 are shown in the table below:

Type of Coverage	Minimum Annual Deductible	Maximum Annual Out-Of-Pocket
Individual	\$1,200	\$5,950
Family	\$2,400	\$11,900

When do I use my HSA?

Out-of-pocket expenses (deductibles and coinsurance) billed by the physician, facility or pharmacy can be paid with your HSA dollars. You can also choose to save your HSA dollars for future medical expenses.

How much can I contribute to an HSA?

- Maximum annual contribution, in 2010, is \$3,050 for individual and \$6,150 for family
- Individuals age 55 or older can contribute an additional "catch-up" allowance of \$1,000 above the maximum to their HSA.

What are some benefits of an HSA?

- Cost Savings
 - Contributions are excluded from federal tax income
 - Interest earnings are tax-deferred
 - Eligible withdrawals are exempt from federal income tax
- Financial Benefits for Long-Term
 - Funds roll over from year to year
 - The HSA account is yours even after you terminate employment
 - Save for future medical expenses
- Choice
 - You have full control over when to use your HSA dollars