

## HEALTH SAVINGS ACCOUNTS (HSA)

High Deductible Health Plans with HSAs offer lower premiums, provide tax advantages, and give consumers more control over how their healthcare dollar is spent.

**What are HSAs?** An HSA is a tax-advantaged savings account that you own, which can be used to pay for routine medical expenses for those enrolled in an HSA-Compatible/High Deductible Health Plan, as defined by the IRS. An HSA is much like a 401K for healthcare, except the funds you contribute to the account can be withdrawn whenever necessary to cover qualified medical expenses (see IRS Publication 502). HSA dollars must be in your account before they can be spent.

### Eligibility requirements for an HSA

- Covered by a High Deductible Health Plan
- Not covered by another insurance plan
- Not entitled to medicare benefits (Part A, B or D)
- Not claimed as a dependent on another person's tax return
- Not participating in a medical FSA or spouse's medical FSA
- Not enrolled in VA benefits

### Tax advantages of using an HSA

- Deposited money into HSA is tax-exempt
- Money withdrawn to pay for qualified medical expenses is tax-free
- Unused money stays in account, accumulating tax-free interest
- Portable - Keep same HSA account with job or plan change (to qualified plan)
- After age 64, HSA dollars can be withdrawn penalty free

**2018**  
**CONTRIBUTIONS**

**\$3,450** ..... Single Plans  
**\$6,850** ..... Family Plans  
**\$1,000** ..... Catch-Up\*

\*Individuals ages 55-65 can make an additional "catch-up" contribution.



UNUSED DOLLARS roll over from year-to-year and compound capital, interest and dividends.

### Money Saving Tips

- **Stay healthy with preventative care.** Many preventative services are covered in full such as annual exams, well-child visits, mammograms, and immunizations. Note that all exams are subject to the American Medical Association rules and regulations.
- **Understand your choices.** Discuss alternative procedures or methods to diagnose or treat a problem.
- **Save money with prescription drugs.** Use generics, over-the-counter medication, or mail order.
- **Know your options.** When a non-urgent medical issue arises, or you can't get in to see your physician, you can visit an urgent care center to get care at a lower cost than visiting the ER.
- **Check your claims for accuracy.**

**Getting the MOST out of your HSA** directly correlates to your understanding of how an HSA and High Deductible Health Plan work. Be sure to contact Bond Financial Network today with any questions you may have regarding HSAs. We'll provide you with information to help you understand how an HSA could work for you!

