

# HEALTH SAVINGS ACCOUNT

It's that time of the year when you have the opportunity to choose the best health benefits for you and your family. That means it's the perfect time to sign up for a Health Savings Account (HSA), a valuable benefit that helps you pay for qualified medical expenses not covered by your insurance. Access to your HSA can be as easy as a swipe of the Navia Benefits Card.

A Health Savings Account (HSA) works with a High Deductible Health Plan (HDHP), and lets you set aside a portion of your paycheck—before taxes—into an account to pay for medical expenses that aren't covered by your plan. It can also help you plan for future medical expenses.

You can deposit money into your HSA account up to an annual per person or family limit set by the IRS. When you enroll, an account will be created for you at a sponsor bank and you'll be given access to a secure, easy-to-use web portal where you can track your account balance, submit requests for distributions and view your investment accounts.

## An HSA:

- **Is Yours** - Funds in your HSA account stay with you, even if you change jobs or decide to enroll in a different health plan the subsequent year. All money contributed to the HSA is yours.
- **Reduces Your Taxable Income** - The money is tax-free both when you put it in, and when you take it out to cover qualified medical expenses.
- **Grows With You** - If you maintain a minimum balance of \$1,000, your additional funds may be invested in mutual funds yielding tax-free earnings.
- **Helps You Plan For The Future** - Until you turn 65, withdrawals used for eligible expenses are tax free. After you turn 65, or if you become disabled, your HSA account becomes similar to a regular IRA. Withdrawals you use for non-eligible expenses will be taxed at your regular income tax rate but won't incur additional penalties.

In addition, you'll receive a Navia Benefits Card to make it easy to access the money in your HSA. The Navia Benefits Card contains the value of your HSA amount, and you can use it to pay for qualified medical expenses not covered by your health insurance. When you use the Navia Benefits Card, the cost of your eligible expenses will be automatically deducted from your account and you won't have to routinely submit receipts to verify the purchase. Just swipe and go. It's that easy!



## You can use your HSA dollars on your Navia Benefits Card to pay for:

- Prescription and health plan copayments, deductibles and coinsurance
- Over-the-counter medicines
- Menstrual care products
- Orthodontics
- Mail-order or online prescription invoices
- Vision services, eyeglasses
- LASIK surgery

Now more than ever, healthcare dollars need to go further, so the pre-tax savings you get with an HSA makes sense. It's simple. It's smart. Save money on health care, and save for the future.

## Using an HSA with an FSA or HRA:

If you are covered by a General Purpose FSA or HRA then you are ineligible for HSA contributions. If your spouse is currently participating in a general FSA or HRA, you are covered by that plan because you are the spouse. As such, coverage in a FSA or HRA will make you ineligible to receive HSA contributions. However if you are covered by a Limited Health Care FSA or a Limited HRA (benefits that only reimburse dental, vision and/or preventive care expenses) then you are eligible for HSA contributions.

## Enrolling and Contributing to an HSA?

Once you enroll in the High Deductible Health Plan you can establish your HSA. We will send you an email with instructions on how to get started. You will need to log in and establish your account. Some employers manage the enrollment. Check with your employer to see how to get started. Once you establish your HSA, you can have pre-tax deductions taken from your paycheck and added to your HSA.