

TAKE CONTROL OF YOUR HEALTH CARE COSTS

USING A HEALTH SAVINGS ACCOUNT



1

THE THEORY

Like its name suggests, a **health savings account (HSA)** helps you pay for **current, qualified health care expenses** and save for future expenses. You can contribute funds pre-tax through payroll deductions* and **watch these funds grow tax-free** over time, much like you do with a 401(k).

MICHELLE



25
Single
Runner

Because Michelle leads a healthy life, she rarely has to visit a doctor, but she does have an annual no-cost preventive care exam and daily medication.

ENRIQUE



40
Married
2 Kids

In addition to the family's annual no-cost preventive care visits, Enrique's wife comes down with the flu and his daughter Sofia needs braces.

TONY & CHERIE



55
Married
No Kids

Tony takes a maintenance medication along with quarterly visits to manage his diabetes, while Cherie needs new glasses.

2

IN PRACTICE

	Michelle	Enrique	Tony & Cherie
HSA Annual Employer Contribution	\$500.00	\$1,000.00	\$1,000.00
HSA Monthly Associate Contribution	\$75.00	\$408.33	\$516.66
HSA Annual Associate Catch-Up Contribution*	N/A	N/A	\$1,000.00
Total Annual HSA Contribution	\$1,400.00	\$5,900.00	\$8,200.00
Annual Projected Health Care Costs	\$500.00	\$3,000.00	\$4,000.00
Remaining HSA Funds That Roll Over to Following Year	\$900.00	\$2,900.00	\$4,200.00

3

THE NITTY-GRITTY

You can use the HSA to pay for the following qualified health care expenses tax-free.

- Qualified medical, dental, and visions expenses not covered by the plans, as defined by the IRS in publication 502, [available here](#)
- COBRA premiums
- Qualified long-term care insurance and expenses
- Health insurance premiums when receiving unemployment compensation
- Medicare and retiree health insurance premiums (not Medicare Supplement premiums)
- Medigap insurance premiums

If you have questions please visit <http://irs.gov/pub/irs-pdf/p969.pdf> for more information or contact [Health Advocate](#)

*Note: Total annual HSA contributions may not exceed \$3,650 (2022) for individual coverage and \$7,300 (2022) for all other coverage. Individuals age 55 and older may make additional catch-up contributions up to an additional \$1,000.

