



HSA Basics



What is an HSA?

- A Health Savings Account (HSA) is a unique, tax-advantaged account that is used with a high deductible health plan (HDHP) and can be used to pay for current or future qualified healthcare expenses.
- Funds roll over and accumulate year over year if not spent, with the ability to earn tax-free interest on the account.
- Employees also have the potential to build more savings through investing. They can choose from a variety of HSA self-directed investment options.
- Additional retirement savings are available after age 65; funds can be withdrawn for any purpose without penalty. However, distributions would be taxable if not used to pay for IRS-qualified medical expenses.



Who is eligible to open an HSA?

- Must be enrolled in a qualified HDHP.
- Must have a valid Social Security Number (SSN) and a primary residence in the U.S.
- Must not be covered by any other health plan that is not an HDHP.
- Must not be enrolled in Medicare, including Medicare Part A or Medicare Part B.
- Must not be covered by TriCare.
- Cannot have accessed Veterans Administration (VA) medical benefits in the past 90 days (in order to contribute to an HSA).
- Cannot be claimed as a dependent on another person's tax return.
- Cannot be covered by a Flexible Spending Account (FSA) or Health Reimbursement Arrangement (HRA). Alternative plan designs, such as Limited-Purpose FSA or HRA, might be permitted.



What are IRS-qualified medical expenses?

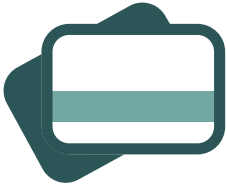
- HSA funds can be used to pay for a wide range of IRS-qualified medical expenses, including many that aren't typically covered by health insurance plans. This includes deductibles, co-insurance, prescriptions, dental and vision care, and more. HSA funds may even be used for eligible expenses for the employee's spouse or tax dependents. For a complete list of IRS-qualified medical expenses, visit [irs.gov](https://www.irs.gov) or hsabank.com/qme.

This material has been prepared for informational purposes only and is not intended as tax or legal advice. HSA Bank does not provide tax or legal advice. If tax or legal advice is needed, please consult with a qualified professional.

IRS Contribution Guidelines

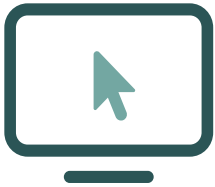
Employees can contribute a maximum amount to the HSA based on IRS limits. This maximum amount includes any contributions from employers or other sources. Visit hsabank.com/irs-guidelines for the current contribution limits.

MEMBER FEATURES AND RESOURCES PROVIDED WITH THE HSA BANK HEALTH SAVINGS ACCOUNT



Health Benefits Debit Cards

Employees can use their HSA debit card to pay for IRS-qualified medical expenses at the doctor, hospital, pharmacy, dentist, etc., or they can choose to pay out of pocket and reimburse themselves later by using an ATM or online banking transfer.



HSA Bank Member Website

myHealth PortfolioSM: Your employees will have a self-service, online dashboard that gives them the complete picture of their payments to providers and other healthcare expenses. The dashboard also allows employees to:

- Store health expense data and receipts.
- File claims or distribution requests.
- Initiate a provider payment.
- Consolidate health expenses and claims from multiple insurance providers.
- View an easy-to-read snapshot of healthcare finances with charts and graphs.

Online Transfers: Employees can use the Member Website to initiate payments to providers, reimburse themselves for out-of-pocket expenses, or make a post-tax contribution to their HSA. These options are also available through HSA Bank's mobile app.

Other Key Features: Employees can also access statements, tax forms, and a variety of educational resources on the Member Website. They can also sign up for account-specific alerts and notifications.



HSA Investment Opportunities

HSA Bank gives you a choice between two investment providers: Devenir offers a self-directed mutual fund selection option managed by Devenir; TD Ameritrade offers a self-directed brokerage option powered by TD Ameritrade. The features of investing HSA funds in self-directed investment options are:

- Wide range of securities, including mutual funds, stocks, bonds, ETFs and more.
- You may begin investing once you have a minimum of \$1,000 in your HSA Bank cash account. Only HSA funds above \$1,000 in your HSA Bank cash account can be transferred to your investment account.
- Employees can start investing when and how they want to; there are no proprietary or default investments based on the HSA balance. It is a great way to potentially grow HSA funds for healthcare expenses, or save funds as a nest egg for retirement.
- Transfer funds easily between the HSA cash and investment accounts with the [Member Website](#) OR by contacting our [Client Assistance Center](#).

HSA Bank does not provide brokerage/investment services or investment advice; brokerage services are provided by TD Ameritrade, Inc., member FINRA/SIPC/NFA, and investment services are provided by Devenir. HSA Bank, TD Ameritrade, and Devenir, are separate, unaffiliated companies/entities and are not responsible for each other's services or policies. Self-directed investment accounts are the sole responsibility of the account owner. Carefully weigh the advantages and disadvantages of investing your HSA funds before doing so. HSA Bank and other business entities receive compensation for providing various services to the funds including but not limited to distribution (12b-1) and/or service fees rendered in association with the investment account. Your ability to replace losses in the investment account may be limited by the annual contribution limits of your HSA.

HSA Bank does not offer investment advice. Investment accounts are not FDIC insured, and they are not bank guaranteed. Investment accounts are not a deposit account or an obligation of HSA Bank, and they may lose value. They are not guaranteed by any federal government agency. Performance data and ratings represent past performance and are not a guarantee of future results. Investment returns and principal value will fluctuate, and investors' shares, when sold, may be worth more or less than their original cost.



Mobile Application*

Apps are part of everyday life, from social media and shopping to checking the weather. Now your employees can use an app to manage their health accounts. HSA Bank Mobile is an app that makes managing health accounts easy with real-time access to important account information. The mobile app can be used to:

- Check available account balances and view transaction details.
- Track expenses and save and store receipts using the device's camera.
- Make a distribution from or contribution to the HSA.

HSA Bank Mobile is compatible with iOS devices (iPhone, iPod Touch, iPad) and Android-powered devices.

While the HSA Mobile app is free to download, message and data rates may apply. Check with your mobile services provider for any charges that may apply for data usage on your mobile device. Please refer to the Online Services Agreement for further details regarding HSA Bank mobile banking services.



24/7 Customer Service

Employees can call our dedicated Client Assistance Center 24 hours a day, 7 days a week at 800-357-6246 or reach us by email at askus@hsabank.com. We also offer live chat support on the Member Website, Monday through Friday, 8:30 a.m. to 5 p.m., CT. For basic balance and transaction information, employees have 24/7 access to our interactive voice response system.