HSA 101
Presented by HSA Bank
Cigna Choice Fund - Two Parts
Integration for the WIN!!
Account Holder Value

• One website for medical and HSA (myCigna.com)

• One Phone number for medical and HSA
  • Back of Cigna insurance card
  • Back of HSA Bank debit card

• Medical claims forwarding to HSA Bank account for easy payment

• Available 24/7/365 for questions about medical and HSA
Get to Know Your HSA a Little Better
What is a health savings account (HSA)?

1) Bank Account

2) Paired With HDHP Enrollment

3) Pay for Qualified Medical Expenses tax-free

4) Contributions to HSA are not subject to Federal Income Tax, State Income Tax, or FICA Taxes (CA or NJ residents pay state tax on contributions and investment growth)

5) Funds do not expire and can be rolled over to the next year (no use-it-or-lose-it)

* HSA contributions and earnings are not subject to federal taxes and not subject to state taxes in most states. Two states do not allow pretax treatment of contributions or earnings: California and New Jersey
The benefits of Health Savings Accounts

- **Triple tax advantage**
- **No “use it or lose it”**
- **Investment options once you have $1,000 in your HSA Account**
- **Anyone can contribute to your HSA, up to the annual contribution maximum set by the IRS**

- **Once you’re 65, use it to pay for Medicare, and reimburse yourself for qualified long-term care insurance premiums**
- **Reimburse yourself for qualified medical expenses any time after your HSA is opened**
- **After age 65 non-qualified medical expense are taxed (no penalty)**
- **Make contribution changes at any time**
Who can open an HSA?

Those covered by an HSA-compatible health plan:

1. Can’t be covered by any other non-HSA-compatible health plan.
2. Can’t be claimed as a dependent on another person’s tax return.
3. Can’t be enrolled in Medicare.
4. Can’t be covered by TriCare.
5. Didn’t access VA medical benefits in the past 90 days (non-service related).
Your HSA covers your family even if they’re not covered by your health plan

- Children must be tax dependents
- Spouse must be legal spouse
- Not domestic partnerships

Use HSA funds for your whole family

- You
- Your spouse
- Your kids

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# How Much can I Contribute to My HSA?

<table>
<thead>
<tr>
<th>HSA Contribution Limit</th>
<th>2023</th>
<th>2024</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>$3,850</td>
<td>$4,150</td>
</tr>
<tr>
<td>Family</td>
<td>$7,750</td>
<td>$8,300</td>
</tr>
<tr>
<td>Catch-Up (55+ EE &amp; SP)</td>
<td>$1,000</td>
<td>$1,000</td>
</tr>
</tbody>
</table>

* Note: Employee and Employer Combined Contributions cannot exceed IRS Limits
Consider All Contributions Into HSA

<table>
<thead>
<tr>
<th>HSA Coverage Scenario</th>
<th>2024 Adjusted Limit Considering Employer Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Single</strong> ($4,150 IRS Max Contribution)</td>
<td>$875 Into your HSA&lt;br&gt;½ Jan 1&lt;sup&gt;st&lt;/sup&gt;&lt;br&gt;½ July 1&lt;sup&gt;st&lt;/sup&gt;</td>
</tr>
<tr>
<td><strong>Family</strong> ($8,300 IRS Max Contribution)</td>
<td>$1,750 Into your HSA&lt;br&gt;½ Jan 1&lt;sup&gt;st&lt;/sup&gt;&lt;br&gt;½ July 1&lt;sup&gt;st&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

* Note: Employee and employer combined contributions cannot exceed IRS limits. **Example**, including the employer’s HSA contribution, single coverage employees younger than 55 can contribute up to $3,275 in 2024.
Using your HSA for IRS-qualified medical expenses

- Acupuncture
- Ambulance
- Artificial limbs
- Artificial teeth
- Birth control treatment
- Blood sugar test kits for diabetics
- Breast pumps and lactation supplies
- Chiropractor
- Contact lenses and solutions
- Crutches
- Dental treatments (including X-rays, cleanings, fillings, sealants, braces and tooth removals)
- Doctor’s office visits and copays
- Drug addiction treatment
- Drug prescriptions
- Eyeglasses (Rx and reading)
- Fluoride treatments
- Fertility enhancement (including in-vitro fertilization)
- Flu shots
- Guide dogs
- Hearing aids and batteries
- Infertility treatment
- Inpatient alcoholism treatment
- Insulin
- Laboratory fees
- Laser eye surgery
- Medical alert bracelet
- Medical records charges
- Menstrual care products
- Midwife
- Occlusal guards to prevent teeth grinding
- Orthodontics
- Orthotic inserts (custom or off the shelf)
- Over-the-counter medicines and drugs
- Physical therapy
- Special education services for learning disabilities (recommended by a doctor)
- Speech therapy
- Stop-smoking programs (including nicotine gum or patches, if prescribed)
- Surgery, excluding cosmetic surgery
- Vaccines
- Vasectomy
- Vision exam
- Walker, cane
- Wheelchair

hsabank.com/QME
IRS Publication 502 (Eligible Expenses)

Publication 502 (2022), Medical and Dental Expenses
Access to HSA funds

Debit Card
• Use to pay for out-of-pocket expenses
• Can also be used to get cash at ATMs to reimburse themselves for qualified expenses paid with personal funds

Online Bill Pay
Electronic Funds Transfer
• Pay expenses directly from the HSA
• Monitor, manage and schedule payments online, anytime
• Schedule payments on a one-time or recurring basis

Checkbook
Purchase and write checks to pay for out-of-pocket expenses

Medical AutoPay
• Automatically pay all or selected eligible Cigna medical expenses from the HSA
• Can be turned on/off any time during the year
Accessing Your HSA Through myCigna
Two Ways to Access HSA

HSA Health Savings Account

- Available Cash: $1,910.75
- Investments: $2,381.70
- Total Balance: $4,292.45

See Details
Health Savings Account (HSA)

How your HSA Works

Available Balance (Cash)

$1,910.75

Investment Balance

$2,381.70

Want to pay claims with your HSA online? Use the Pay Now button on the claims page to pay providers.

Transactions

Filter Last 24 Months  All  Sort Most Recent  

CVS/PHARMACY
May 02

- $28.85

Manage your Account at HSA Bank

- Access tax documents
- Manage debit cards
- Change Investment elections

Call for Bank Service (800) 244 - 6224

Visit HSA Bank
You can invest your HSA—just like a 401(k)!
Ready to stop missing out on savings? Start investing today.

**Accounts**

### HEALTH SAVINGS ACCOUNT

<table>
<thead>
<tr>
<th>Account Type</th>
<th>Available</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Account</td>
<td>$0.00</td>
</tr>
<tr>
<td>Investments - Schwab</td>
<td>$0.00</td>
</tr>
<tr>
<td>Fair Market Value</td>
<td></td>
</tr>
<tr>
<td>Investments - Devenir</td>
<td>$0.00</td>
</tr>
<tr>
<td>Fair Market Value</td>
<td></td>
</tr>
</tbody>
</table>
Investment Options for Everyone
Two Investment Platforms

You can do Both!

DEVENIR

• Simple and Intuitive
• Preselected Fund Options
• Target retirement funds available
• HSA contributions go into investment accounts upon transfer.
• Guided Portfolio Selection Tool
• Less Navigation

charles SCHWAB

• More investment choices
• More geared to investment-savvy
  Schwab Intelligent Portfolios
• Fractional shares now available for as little as $5
• Import outside investment info for wholistic portfolio view
• More navigation
Designating a Beneficiary for Your HSA

Protect your assets.
Protect your loved ones.

What is a Beneficiary?

A beneficiary is a person or legal entity that has been designated to receive the proceeds from your Health Savings Account (HSA) in the event of death.

A beneficiary can be one or more individuals (i.e., spouse, children, relatives, or friends) or organizations, such as a trust or charity. You can designate two types of beneficiaries:

1. **Primary Beneficiaries** are first to receive the designated asset upon your death. If you name more than one primary beneficiary, each will share the benefit equally, unless you indicate specific percentages totaling 100 percent are to be paid.

2. **Secondary (Contingent) Beneficiaries** receive the asset if there are no surviving primary beneficiaries upon your death. Multiple contingent beneficiaries will share the benefit equally, unless you indicate specific percentages totaling 100 percent are to be paid.

You may designate a beneficiary to receive your HSA assets in the event of your death. If you name your spouse as
HSA Insights!

- Triple tax advantaged
- Employee owned
- Portable
- Money can be invested
- Start and stop contributions at any time
- Money rolls over and you never lose it
- Can reimburse yourself at any point in the future for Qualified Medical Expenses (QME) paid on or after your HSA effective date
- Tax Free for Qualified Medical Expenses (QME). Once you reach age 65, you can take money out for non QME (taxed as income, with no penalty).
- Designate a Beneficiary!
Questions?