

FIVE REASONS TO CHOOSE A LOWER-PREMIUM HEALTH PLAN AND AN HSA

- 1. Save money!**
With a qualified lower-premium health plan, you may be able to put what you save on premiums into a health savings account (HSA). Use your HSA to pay for qualified medical expenses tax-free, or save it and earn interest tax-free—unlike money in a typical savings account, you don't pay taxes on the interest your HSA earns.
Contributions through your employer are taken before taxes and reduce your annual taxable income. You get more of your own money to use *and* you reduce your annual tax burden.
- 2. Grow your money.**
In addition to earning tax-free interest, many HSAs include the option to invest balances above a preset threshold in mutual funds or other investment options—making an HSA a way to potentially grow your money—tax-free.
- 3. Access the best tax-savings retirement opportunity available.**
An HSA is similar to a 401(k). Your contributions aren't taxed and reduce your annual taxable income. Employers and family members can contribute to your account up to the annual limits. Balances can earn interest and/or potential investment returns. And balances outside of investments may be FDIC-insured.
Withdrawals are never taxed or penalized when used for qualified health care expenses and premiums. And after retirement, use funds for anything without paying a penalty (withdrawals used for nonqualified medical expenses/premiums are taxed¹.)
- 4. Keep your doctor.**
An HSA-qualified health plan is typically a preferred provider organization (PPO). Your doctor is likely an in-network provider, so you have the flexibility to see the doctor you want. Even if your doctor isn't a network provider, you can use your HSA to pay your bill.
- 5. Protect your account and your pocket book.**
The money in an HSA is yours—not your employers. If you change jobs or retire, you keep your account and all balances.
Most HSA-qualified health plans have maximum out-of-pocket limits. Reach your limit, and expenses are fully covered. Before you reach your limit, use your HSA balance to pay out-of-pocket costs.



Self-Only Coverage Example

	PPO Plan—\$0 deductible		HDHP-HSA Plan—\$3,000 deductible	
Annual premiums	\$275 x 12 months	\$3,300	\$125 x 12 months	\$1,500
HSA contributions	\$0		Employer: \$1,500 Employee: \$0 x 12 = \$0	Total: \$1,500
4 annual preventive exams	Preventive covered at 100%	\$0	Preventive covered at 100%	\$0
Total expenses		\$3,300		\$1,500
Total out-of-pocket (OOP) after-tax expenses	\$0	\$0	\$0	
Employee's total cost	OOP expenses+premium	\$3,300	(OOP exp.-\$1,500)+premium	\$1,500
Remaining HSA balance	\$0		\$1,500	Added available tax shelter: \$1,600 ¹ (\$3,100 - \$1,500)

Figures are for illustrative purposes only.

Who Says an HSA Costs More?

Seventy percent of people have less than \$1,000 of medical expense a year (including what both the insured and the health plan pay²). Why not invest the money you'd pay for premiums in an interest-bearing, tax-advantaged HSA and lower-premium health plan?



FIVE REASONS TO CHOOSE A HEALTHEQUITY[®] HSA

1.

Easy-to-use online access to claims and payments.

- ▶ A HealthEquity[®] HSA integrates with more than 40 national health plans—enroll in your HSA and your health plan, access claims, and pay bills or get reimbursements all from a single, easy-to-use online portal.

2.

Live service any day, anytime.

- ▶ Live Member Services specialists are available 24/7/365.

3.

Remarkable education and support.

Rely on a live Member Services specialist and online resources to:

- ▶ Get help negotiating payment schedules with a provider.
- ▶ Learn safe, effective ways to save on health care costs.
- ▶ Find average costs for treatments and prescriptions in your ZIP code.
- ▶ Discover how to get the most from your HSA.
- ▶ Get tax tips about HSAs—for now and the future.

4.

Easy-to-use self-service online portal.

Use your HealthEquity[®] member portal to:

- ▶ Manage your account information.
- ▶ See your balance in real-time.
- ▶ Request reimbursements.
- ▶ Make online payments directly to a provider.
- ▶ Schedule payments in advance.
- ▶ Set up electronic funds transfers.
- ▶ Access a lifetime record of claims and spending history.

5.

Everything you get from a typical HSA and more.

- ▶ FDIC-insured cash deposits.
- ▶ Free HealthEquity[®] Visa[®] Health Account Card*.
- ▶ No setup or inactivity fees.
- ▶ Competitive interest rates.
- ▶ Free investment options with no transaction fees—something most banks don't offer.
- ▶ Monthly account statements and annual tax statements—online or on paper.

Find Out More About a HealthEquity HSA

Visit www.healthequity.com or call 866.346.5800, then talk to your employer about how to enroll today.

*This card is issued by The Bancorp Bank pursuant to a license from Visa U.S.A. Inc. The Bancorp Bank; Member FDIC.

¹ Up to the age of 65, there's a 20% penalty for HSA withdrawals used for anything other than qualified medical expenses.

² 2006 claims data from insurer with more than 700,000 lives.

³ Based on 2012 annual maximum contribution for self-only coverage of \$3,100. Family coverage maximum is \$6,250.