



Your Health Savings Account (HSA)

Individual HSA Contribution Limit
\$3,500 (2019)

Family HSA Contribution Limit
\$7,000 (2019)

What is an HSA?

An individually owned, tax-favored account that allows you to pay for qualified health care expenses.

HSA & QHDHP

An HSA must be coupled with a Qualified High-Deductible Health Plan (QHDHP) to receive the tax advantages allowed by the IRS. Premiums associated with a QHDHP should be lower than a traditional plan, allowing you to capture the savings to fund an HSA. Similar to a 401(k) savings plan, you can make tax-deductible contributions into an HSA and earn interest tax free. HSA funds can then be used to pay for any qualified, out-of-pocket medical, dental or vision expense.

Why an HSA?

HSAs provide several tax and cost-savings benefits.

- By combining an HSA with a QHDHP, you can reduce your insurance premiums.
- Known as a triple-tax savings account, contributions are made tax free, grow tax free and can be withdrawn tax free to pay for a variety of qualified medical expenses such as:
 - Doctor visits
 - Prescription drugs
 - Eyeglasses or contact lenses
- Unlike other benefit accounts, unused funds are rolled over annually enabling them to be used for future expenses.

Who is eligible to enroll in an HSA?

In general, to be eligible for an HSA, you must meet the following criteria:

- You must be covered under a QHDHP and cannot have other health care coverage.
- You cannot be enrolled in Medicare.
- You cannot be claimed as a dependent on someone else's tax return.

How much can I contribute?

The U.S. Treasury Department establishes annual contribution limits and minimum deductible amounts for HSAs and HSA-qualified health plans, which are adjusted each year for inflation. 2019 limits:

- Maximum HSA contribution: \$3,500 for individuals with single coverage, \$7,000 for individuals with family coverage.
- Minimum deductible for HSA-qualified health plan: \$1,350 for individuals with single coverage, \$2,700 for individuals with family coverage.
- Maximum out-of-pocket expense (including deductibles): \$6,750 for individuals with single coverage, \$13,500 for individuals with family coverage.

Eligible HSA Expenses

Below is a partial list of IRS eligible expenses that can be reimbursed through an HSA. This list is subject to change and without notice due to new legislation. A list of these expenses is available on the IRS Web site, www.irs.gov in IRS Publication 502, "Medical and Dental Expenses."

Eligible Medical Expenses	
Acupuncture	Therapy, physical or speech
Alcoholism treatment	Eyeglasses, prescription (includes prescription sunglasses and over-the-counter reading glasses)
Ambulance service	Fertility treatment (ovulation predictor kits and pregnancy tests, in vitro fertilization, surgery or operations to reverse a prior surgery that prevents you from having children)
Artificial limb/teeth	Guide dog or other animal used to assist persons with physical disabilities
Bandages, Band-Aids, wraps, and splints	Health institute
Breast-reconstructive surgery following a mastectomy	Hearing aids and batteries
Birth control pills (Norplant, ovulation kits)	Hospital services
Braille books and magazines	Insulin, syringes
Chiropractor professional fees	Laboratory fees
Christian Science Practitioner fees	Lead-based paint removal
Contact Lenses/solution	Legal fees (fees you pay that are necessary to authorize treatment for mental illness)
Contraceptives	Meals (only as part of inpatient hospital care)
Crutches/braces & supports	Nursing home (if necessary for medical care and only the portion for medical services)
Dental treatment	Nursing services
Diagnostic services and tests	Operations (legal operations that are not cosmetic in nature)
Drug dependency treatments	Orthodontia
Drugs (prescriptions)	Orthopedic devices
Eye Surgery (includes cataract, LASIK, etc.)	Osteopath fees
Physical therapy	Oxygen equipment
Pregnancy test kits	Transplants (donor expenses, if you pay those expenses)
Psychologist fees	Transportation and related travel expenses for person seeking treatment
Schools and education (for mentally impaired or physically disabled person – see IRS publication 502)	Treatment for learning disability caused by mental or physical impairment or nervous system disorders
Special home for person adjusting from life in mental institution to community living	Vaccinations
Speech Therapy	Weight-loss program (only if medically necessary to treat existing disease such as heart disease and undertaken under physician's direction)
Sterilization procedures (vasectomy or tubal ligation)	Wheelchair
Stop-smoking program	Wigs (upon advise of physician for mental health of patient)
Surgical fees (for legal operations not cosmetic in nature)	X-ray fees