



Your Health Savings Account (HSA)

A Health Savings Account is an individually owned, tax-favored account that allows consumers to pay for qualified healthcare expenses.

An HSA must be coupled with a High Deductible Health Plan (HDHP) to receive the tax advantages allowed by the IRS. Premiums associated with an HDHP are typically lower than a traditional plan, allowing you to capture the savings to fund an HSA.

Similar to a 401(k), you can make tax-deductible contributions into an HSA and the account can earn interest tax-free. HSA funds can then be used to pay for any qualified, out-of-pocket medical expenses, such as deductible and prescription drug expenses. Once the deductible is met, the health plan begins paying some or all covered expenses, depending on the plan selected.

HSA Eligibility

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

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

Benefits and Savings

HSAs provide several tax- and cost-savings benefits. By combining an HSA with a qualified HDHP, you can reduce your insurance premiums. Because it is a triple-tax savings account, contributions are 1) made tax free, 2) grow tax free and 3) can be withdrawn tax free to pay for a variety of qualified medical expenses, many of which are not covered by traditional health insurance plans (including dental visits, prescription drugs, eyeglasses, contact lenses, and chiropractor visits).

Unlike other benefit accounts, unused funds are rolled over annually, enabling them to be used for future expenses.

How Much Can I Contribute to an HSA?

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. **For 2023, the HSA limits are as follows:**

Contribution Limits

- Individual: \$3,850
- Family: \$7,750
- Catch-Up (55 and older): \$1,000

2022 Contribution Limits

- **Individual HSA**
 - **\$3,650**
- **Family HSA**
 - **\$7,300**

Deductible Requirements

- Individual: Not less than \$1,500
- Family: Not less than \$3,000

Max Out-of-Pocket Requirements

- Individual: Not to exceed \$7,500
- Family: Not to exceed \$15,000 – You must be covered under a qualified HDHP and cannot have other healthcare coverage.

HSA Services

- User guide and educational communications
- NueSynergy smart debit card
- Competitive interest rates earned on the first dollar
- Investments with no monthly or trade fees
- No setup fees
- Dedicated HSA customer service assistance beyond simple balance inquiry
- Consultative support to help maximize HSA savings and benefits
- Monthly electronic account statements
- Claims shoebox (electronic record keeping of all receipts to help you stay compliant)
- Seamless integration allows funds to transfer between HSA and personal checking accounts for ease of contribution and reimbursement
- Online web tools, including personalized health plan cost comparison, out-of-pocket cost and future savings calculators, and educational tutorials
- NueSynergy smart mobile app





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

