

Say hello to your health savings account



A health savings account allows you to save money for qualified medical expenses that you're expecting, such as contact lenses or monthly prescriptions, as well as unexpected ones – for this year and the future.

Why have an HSA?

You own it

The money is yours until you spend it, even deposits made by others, such as an employer or family member. You keep it, even if you change jobs, health plans or retire.

Tax savings

HSAs help you plan, save and pay for health care, all while saving on taxes.

- The money you deposit is federal income tax-free.
- Savings grow income tax-free.
- Withdrawals for qualified medical expenses are also income tax-free.

It's not just for doctor visits

Once you've contributed to your account, you can use the funds in your HSA to pay for qualified medical expenses such as:

- Dental care, including extractions and braces
- Vision care, including contact lenses, prescription sunglasses and LASIK surgery
- Prescription medications
- Certain over-the-counter drugs and medications
- Chiropractic services
- Acupuncture

Save for the future

Your HSA rolls over from year to year, so you can continue to grow your savings and use it in the future – even into retirement.



Contribution limits

There are contribution limits, set by the Internal Revenue Service and adjusted annually.

These limits are:

- **\$4,150** for individual coverage in 2024
- **\$8,300** for family coverage in 2024
- **\$1,000** extra if you're 55 or older, also known as catch-up contributions

These contribution limits include any seed funds provided by your employer, so be sure to factor that in when planning your own contribution amount.

Who can open an HSA?

You can have an HSA if you are enrolled in a qualifying consumer-driven health plan or Local CDHP plan offered by the State Group Insurance Program.

In addition, you must meet the following requirements as defined by the IRS:

- Be covered under a consumer-driven health plan on the first day of a given month.
- Not be covered by any other health coverage except what is permitted (dental, vision, disability and some other types of additional coverage are permissible).
- Not be enrolled in Medicare, Social Security benefits, TRICARE or TRICARE for Life.
- Have not received Department of Veterans Affairs benefits within the past three months, except for preventive care. If you're a veteran with a disability rating from the VA, this exclusion does not apply. If you're eligible for VA medical benefits, but did not receive benefits during the preceding three months, you can enroll in and make contributions to your HSA. If you receive VA benefits in the future, then you're not entitled to contribute to your account for another three months. However, if your veteran's hospital care or medical service was for a service-connected disability, you may contribute to your HSA.
- Have not received care from the Indian Health Services within the past three months.
- Not be claimed as a dependent on someone else's tax return.
- You do not qualify for a medical flexible spending account, if you are enrolled in the CDHP/HSA. You may, however, have a limited purpose FSA for vision and dental expenses only.

Other restrictions and exceptions also apply. Consult a tax, legal or financial advisor to discuss your personal circumstances.

Open your account

Check with your employer or benefits specialist to learn about your company's application process. You may be able to sign up through your employer or enroll at optumbank.com/tennessee. You cannot use your HSA to pay for medical expenses you had before you opened your account – so be sure to open your HSA as soon as you are eligible.

And be sure to save your receipts. For a full list of qualified medical expenses, visit [irs.gov](https://www.irs.gov).



Have questions?

Visit optumbank.com/tennessee or download the mobile app.



Contributions add up quickly

When Marcus started his new job, he decided to open an HSA and contribute \$100 per month. Because he hasn't had many medical expenses, he decided not to touch the balance during his first year. Here's how his contributions added up:

Monthly contribution: **\$100**

Annual contribution: **\$1,200**

Annual income tax savings: **\$452**

25% federal | 5% state | 7.65% FICA

Use the HSA Calculator on optumbank.com/tennessee to help determine your contributions and see how much you can save on taxes.



Download the mobile app

Make your health dollars go further. You can pay bills, view transactions, upload receipts and more. Download today on your Apple or Android device.



Optum Financial®

Health savings accounts are individual accounts offered or administered by Optum Bank®, Member FDIC, and are subject to eligibility requirements a subsidiary of Optum Financial, Inc., and restrictions on deposits and withdrawals to avoid IRS penalties. State taxes may apply. Fees may reduce earnings on account. This communication is not intended as legal or tax advice. Federal and state laws and regulations are subject to change.

Apple, the Apple logo, Apple Pay, Apple Watch, iPad, iPhone, iTunes, Mac, Safari, and Touch ID are trademarks of Apple Inc., registered in the U.S. and other countries. iPad Pro is a trademark of Apple Inc. Android, Google Play and the Google Play logo are trademarks of Google LLC. Data rates may apply.

© 2023 Optum, Inc. All rights reserved. WF10688752 204277C-052023 OHC