

What's a Health Savings Account (HSA)?

An HSA combines a savings account with high-deductible health insurance. The money you save is ***never taxed*** if you use it to pay qualified medical expenses.

Why High-Deductible Health Insurance?

To get the benefits of an HSA, the law requires that the savings account be combined with high-deductible health insurance. High-deductible health insurance costs less than traditional \$250 or \$500 deductible coverage.

How Does an HSA Work?

You obtain coverage under a qualified high-deductible health insurance plan.

Each year you deposit the money saved on lower premiums into a tax-favored savings account.

You use the savings account to help pay for your deductible with tax-free dollars.

Once you meet the deductible, the health insurance starts paying for your covered medical expenses.

Any money left over at the end of the year is yours to keep.

What Are the Benefits of an HSA?

First dollar: Savings can be used to help pay the deductible and for noncovered expenses, such as dental and vision.

Security: Savings reduce or eliminate out-of-pocket exposure.

Pool of Money: Savings not spent remain in the HSA to earn interest tax-deferred.

What Are the Health Coverage Benefits?

Simple: 100% coinsurance for covered expenses after the deductible is met.

Predictable: One deductible per family.

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Comprehensive: Quality major medical, including adult preventive care and prescription drugs.

What Are the Tax Benefits of an HSA?

Deposits are tax-deductible off net income.

Interest earnings are tax-deferred.

Withdrawals for medical expenses are tax-free.

Who Is Eligible for an HSA?

Anyone who is not entitled to Medicare can have a tax-favored HSA.

You must have a qualified high-deductible health insurance plan – and no other similar health insurance.

A qualified health plan for singles has a minimum deductible of \$1,000.

For families, a qualified health plan must have a minimum deductible of \$2,050 – one deductible for the entire family.

Where Can I Get an HSA?

Golden Rule -- No company has more experience with Health Savings Accounts than Golden Rule. In 1993, Golden Rule pioneered the first HSAs, then known as Medical Savings Accounts. The early MSA plans did not provide tax incentives. They were designed to bring healthcare costs under control by empowering consumers. In 1996, the first tax-advantaged MSAs became law, but only for the self-employed and small employer groups. HSAs are a huge step forward toward affordable health insurance, because these tax-favored plans are now available to anyone.

To receive more information about the benefits of HSAs, call Golden Rule at 1-800-444-8990 or visit www.goldenrule.com