

What is a Health Savings Account?

Health Savings Accounts (HSAs)



What is a HSA?

A health savings account (HSA) is an account that can be used to pay medical expenses.

f

Benefits of an HSA

f Triple tax advantage means you save

Who is eligible for an HSA

Anyone who is:

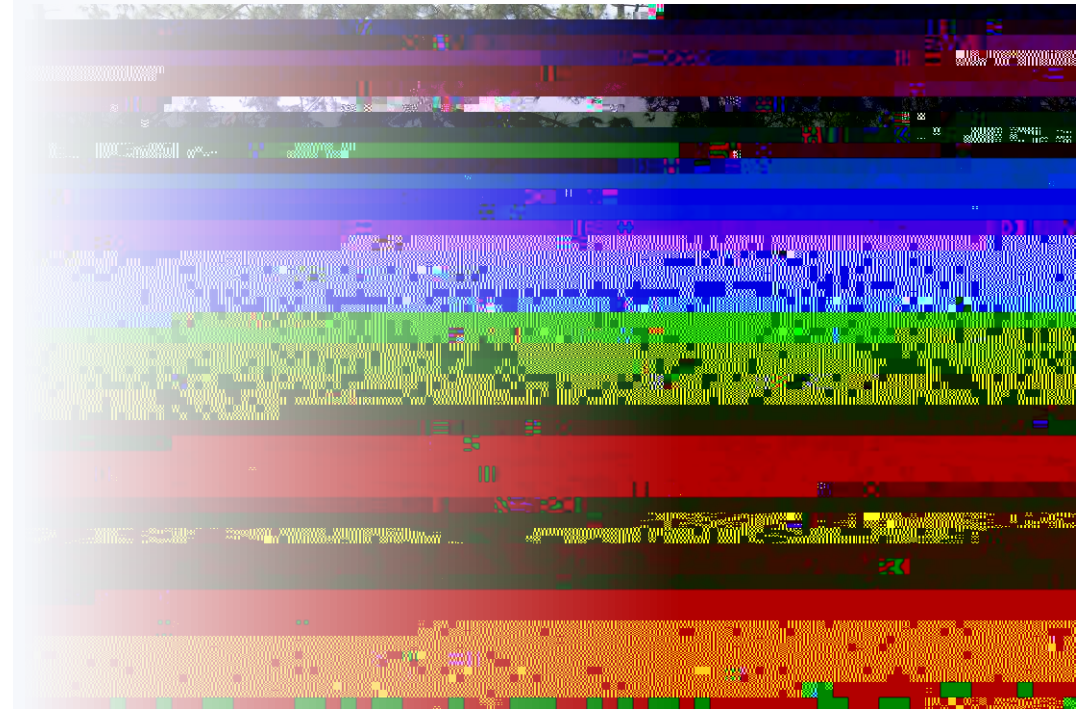
- f* Covered by a HDHP.
- f* Not enrolled in Medicare.
- f* Not covered under other health insurance.*
- f* 1 R W D Q R W K H U S H U V R Q · V G H S

*Medicare, Tricare, or have received VA benefits within three months



HSA Contribution Limits

- f* Each year, the IRS sets contribution limits.
 - ï These limits are for the total funds contributed, including company contributions, your contributions and any other contributions.
- f* 2025 limits:
 - ï \$4,300 for individual coverage.
 - ï \$8,550 for family coverage.



Catch -up Contributions

For individuals ages 55 - 56 DOORZV - 10000
FRQWULEXWLRQV μ

Eligible individuals may contribute an extra \$1,000 for the year.





Qualified Medical Expenses

- ‡ The IRS defines expenses that are
FRQVLGHUHG TXDOLILHG PH
H[SHQVHVµ IRU +6\$ GLVWULE
- ‡ Expenses must be primarily to treat or prevent a physical or mental defect or illness.
- ‡ If you use HSA funds for expenses beyond what the IRS defines as qualified, you will be subject to income tax on the distribution and an additional 20% penalty.



Qualified Medical Expenses

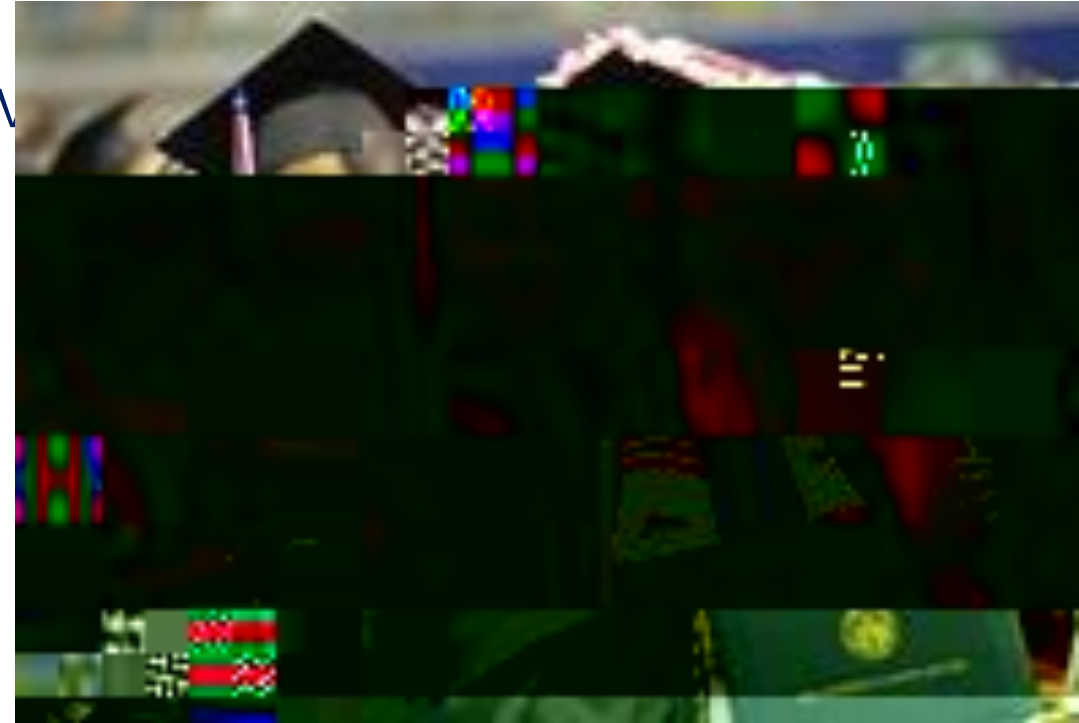
‡ Examples of qualified medical expenses include:

- ï Most medical care that is subject to your deductible (coinsurance, doctor visits, inpatient or outpatient treatment, etc.)
- ï Prescription drugs.
- ï Dental and vision care .
- ï COBRA, qualified long -term care insurance, health insurance premiums paid while receiving unemployment benefits.

‡ To see a complete list of eligible expenses go to www.irs.gov/publications/p502 .

Ineligible Medical Expenses

- f* Expenses that are not considered
 - TXDOLILHG PHGLFDO H[SHQV
 - ï Insurance premiums (other than the exceptions listed on the previous slide.)
 - ï Surgery for cosmetic reasons.
 - ï Expenses covered by another insurance plan.
- f* For eligible expenses employees can visit IRS website at <https://www.irs.gov/publications/p502>



Recordkeeping

f



Questions?

¶f you have additional questions, please contact HR.