
Making the most of your health savings account (HSA)

Optum Financial webinar

Agenda

What is an HSA

HSA eligibility

HSA basics

Use an HSA for future planning

Account access

Where to go for help



What is an HSA?

Health savings accounts (HSAs) are individually owned savings accounts that offer a tax-advantaged way to save and pay for qualified medical expenses.



Requires a qualifying high-deductible health plan

(Kaiser and Sutter HDHP with HSA)



Annual contribution limits are set by the IRS — triple tax savings



Funded by the account holder



Balances can be carried over from year to year
Option to invest a portion of the HSA once it meets a minimum threshold

Integration with the **#1-rated mobile app**



HSA Eligibility

IRS REQUIREMENTS



- ✓ You must be covered under a qualifying high-deductible health plan (**Kaiser or Sutter HDHP with HSA**)
- ✓ You have no other health coverage except what is permitted by the IRS
- ✓ You are not enrolled in Medicare, TRICARE or TRICARE for Life
- ✓ You haven't received Veterans Affairs (VA) benefits within the past three months, except for preventive care
If you have a disability rating from the VA, this exclusion doesn't apply
- ✓ You can't be claimed as a dependent on someone else's tax return
- ✓ You do not have a health care flexible spending account (FSA) or health reimbursement account (HRA)
Alternative plan designs, such as a limited-purpose FSA or HRA, might be permitted

What You Need to Know About an HSA



Deposits are exempt from income tax (*exceptions exist for the state of CA*)



Savings grow income tax-free



Money spent on qualified medical expenses comes out of your HSA income tax-free

Use the QME Tool on optumbank.com to see if your specific expense qualifies for reimbursement

Examples of qualified expenses - more than just deductibles and copays-

- ✓Chiropractic
- ✓Dental treatment
- ✓Eyeglasses

Examples of non-qualified expenses:

- ✗Cosmetic surgery
- ✗Electrolysis or hair removal
- ✗Teeth whitening



Qualified medical expenses

The IRS determines the list of qualified medical expenses

- Acupuncture
- Alcohol/drug addiction treatment
- Dental treatment
- Doctor's visits
- Eye exams, glasses or contacts
- Hearing aids and batteries
- Over-the-counter medications and feminine products
- Medical tests and devices
- Operations/surgeries (non-cosmetic)
- Nursing services
- Physical therapy
- Psychiatric care
- Smoking cessation
- Personal Protective Equipment (PPE)



Easily save your receipts with *receipt vault*



IRS.gov or optumbank.com



Check out the **Optum Bank QME Search Tool** on optumbank.com!

HSA funds used for purposes other than to pay for qualified medical expenses are:
Taxable as income AND
*Subject to 20% penalty tax!

Contribution Limits

Amount of Contribution

The IRS determines how much you can deposit into your HSA each year, and limits are determined on a calendar/tax-year basis.

Contribution Rules

	2022	2023
Individual coverage	\$3,650	\$3,850
Family coverage	\$7,300	\$7,750

IRS rules state that contribution limits must generally be prorated by the number of months you are eligible to contribute to an HSA. Your eligibility is based on your coverage status on the first day of the month.

Additional Contribution

Those 55 years of age or older, but not yet enrolled in Medicare, can fund an additional **\$1,000/year** “catch-up” contribution.

Spouses can make a separate \$1,000 catch-up contribution to an account in their own name.

Consider redirecting any cost savings between the HMO plan and HDHP plan to your HSA

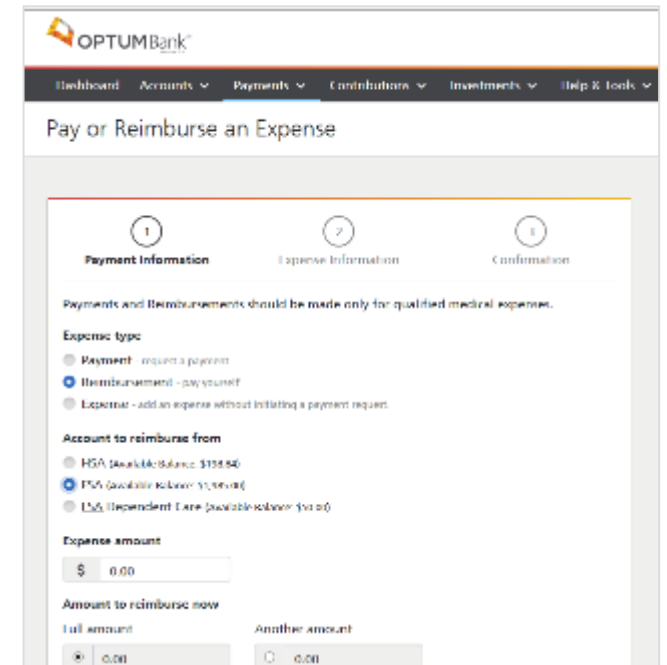
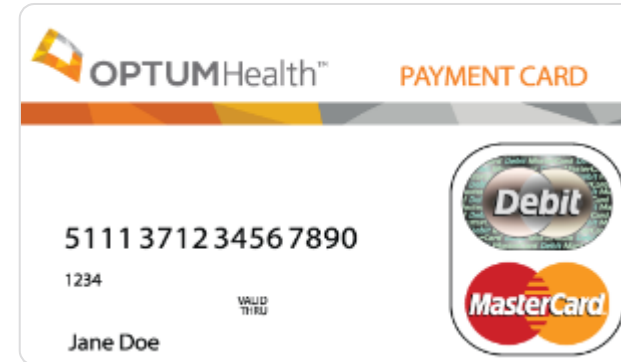
Access your HSA funds

Use your Optum Bank® Health Savings Account Debit MasterCard®

Sign up for automatic bill pay and online banking

Use HSA checks for this account

Pay for an expense with personal funds and reimburse yourself from your HSA



Health care expenses are one of the biggest financial worries in retirement.



Invest in your HSA

TWO
WAYS
TO
INVEST

1

Digitally managed investments

Online financial advice driven by artificial intelligence and algorithms that provides automated investment opportunities. Based on your goals, we make it easy to invest your funds now and into retirement.

2

Mutual funds

Optum Bank has a diverse set of mutual funds,* including:

- Vanguard funds
- Target date funds
- Lifestyle funds

Mutual funds average a four-star Morningstar rating, and represent some of the lowest expense ratios in the industry.

The optimal way to save for retirement

With an HSA, withdrawals for qualified medical expenses are income tax free.** This is a key way in which an HSA can be superior to a traditional 401(k) or IRA as a retirement savings vehicle. Once you begin to withdraw funds from a 401(k) or an IRA plan, you pay income tax on that money, regardless of how the funds are being used.

Investments are not FDIC insured, are not guaranteed by Optum Bank®, and may lose value.

For most employers, account holders can choose to start investing once they reach an HSA balance of \$2,000.

Grow your savings

Your contributions add up



Meet Mark. He contributes **\$150** a month to his HSA.
In 25 years, he will have saved **\$45,000***.



Health Savings Checkup

Did you know a couple retiring today may need **\$295,000** to cover medical expenses in retirement?

Prepare now with an HSA

Visit healthsavingscheckup.com today!



Your potential health care costs



Personalized Action Plan



Save for and lower future health care costs

Access your HSA on optumbank.com

The screenshot shows the Optum Bank website homepage. At the top left is the Optum Bank logo with "Member FDIC" below it. To the right is a search bar and navigation links for "Sign in", "Open an HSA", "Contact us", and "To optum.com". Below this is a dark navigation bar with links for "Health accounts", "Investments", "Resources", "Customer support", "Partners", and "Use your HSA/FSA". The main content area features a large background image of a family (a man, a woman, and a child) standing in a field of tall grass, looking towards a sunset. On the left side of this area, there is a white box with the heading "Welcome to Optum Bank" and a sub-heading "Optum Bank, a part of Optum Financial, is connecting health and finances in unprecedented ways." Below this is a blue "Sign in" button and a link "New user? Register for online access >". On the far left edge of the white box, there is a vertical blue bar with the word "Feedback" written vertically. On the right side of the main content area, there is a white callout box with an orange border and a pointer directed at the "Sign in" button. The callout box contains the text: "New User? Step 1: Log onto: optumbank.com Step 2: Click on 'register for site' Step 3: Enter SSN, DOB, last name and Optum card number".

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Welcome to Optum Bank

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[Sign in](#)

[New user? Register for online access >](#)

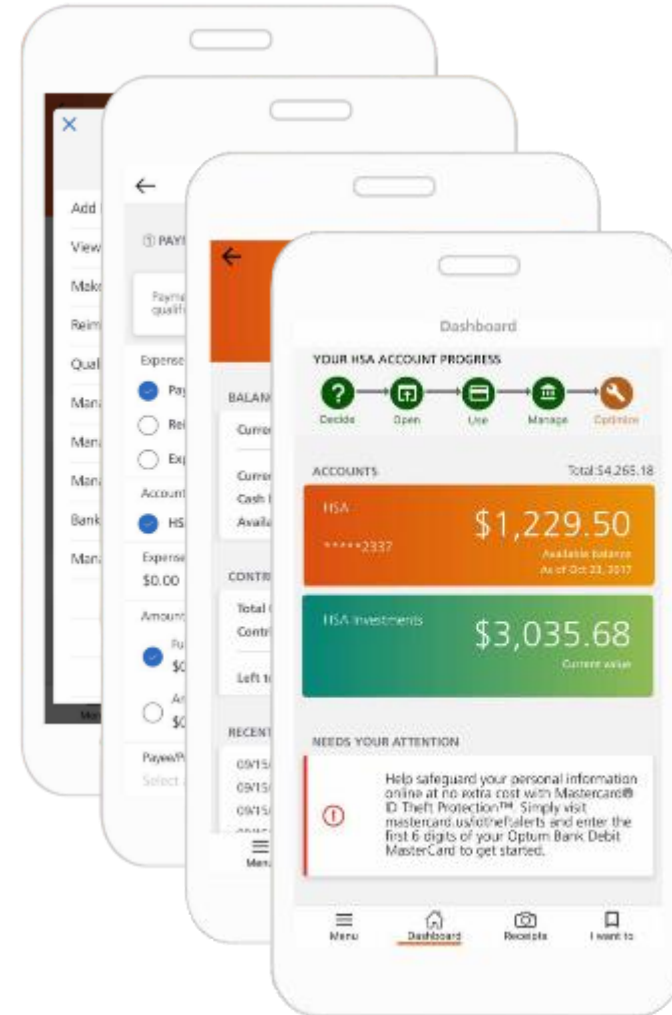
New User?
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Download the Optum Bank Mobile App

Access your Optum Bank account on the go, easily with the **Optum Bank mobile app!**

Look for it in the app store under **“Optum Bank”**.

Remember! You can upload receipts via the Mobile app.



Investments are not FDIC insured, are not guaranteed by Optum Bank®, and may lose value.

What if you have more questions?

Call Optum Bank customer
service (844) 326-7967

Visit optumbank.com

Talk to your employer

