

Health Savings Account (HSA)

HEALTHEQUITY

If you participate in the HSA-Qualified HDHP, you may be eligible to participate in a Health Savings Account (HSA). An HSA is a tax-exempt savings account that can be used for contributions, earnings and withdrawals for eligible expenses.

HSA Highlights

- An HSA is portable, meaning that if you leave your employer, you can take your HSA funds with you.
- There is no “use it or lose it” provision with an HSA. If you don’t use the money in your account by the end of the year, funds stay there and collect interest on a tax-deferred basis.
- An HSA includes a banking partner that offers you several investment options that suit your needs.
- An HSA does not require third-party substantiation for transactions; however, you should keep records of these transactions in the event of an IRS audit.

HSA Eligibility

You may contribute to an HSA if you:

- Are covered under an HSA Qualified high deductible health plan (HDHP)
- Do not have disqualifying coverage such as other “first dollar” medical coverage etc.
- Are not eligible for or enrolled in Medicare
- Cannot be claimed as a dependent on someone else’s tax return

HSA Eligible Expenses Include:

- Medical and prescription drug deductibles, coinsurance and copayments
- Dental deductibles, coinsurance and copayments
- Orthodontia or other dental care
- Eye exams, contact lenses and glasses

HSA Contributions

The maximum amount that can be contributed to the HSA in a tax year is established by the IRS and is dependent on whether you have individual or family coverage in the HDHP plan. For 2025, the contribution limits are:

- \$4,300 for individual coverage
- \$8,550 for family coverage
- The annual catch-up contribution for age 55 and older is \$1,000

Health Savings Account (HSA) participants are urged to check their HSA election amount on an annual basis. Your pay period contributions will continue to be deducted from your paycheck unless you opt to make a change.

Please Note: You may make changes to your HSA anytime or on a per-pay basis.

