

Guide to Health Savings Accounts (HSAs)

Welcome to your health savings account (HSA) brought to you by Minnesota Healthcare Consortium and WEX Health, Inc. ("WEX").

Everything you need is just a tap, click, call, or swipe away. If you have questions or need more information about your HSA, our expert customer service team is ready to help.



Introducing the HSA

A health savings account (HSA) is a benefit that allows you to choose how much of your paycheck you'd like to allocate pre-tax dollars from for healthcare expenses or use as a retirement savings tool.

How an HSA works with your qualified medical plan

- › **Medical premium (your payment for health insurance)**
Premiums often cost less for high deductible health plans (HDHPs).
- › **Out-of-pocket health care costs**
(up to deductible and coinsurance)
- › **HSA contributions**
Consider how much you'll spend on health care next year. Put that money into an HSA pretax from your paycheck. Putting money into an HSA helps you prepare and pay for health care costs tax-free. If you don't need the money, save it for future needs. You can change, start, or stop contributions at any time.
- › **Out-of-pocket maximum**
Once you reach your out-of-pocket max, you can use your HSA funds to pay for additional medical expenses. HSAs can help in the event unexpected health care needs arise.



Triple Tax Advantage

- › **Save money tax free**
- › **Earn interest tax free**
- › **Pay for eligible health care expenses tax free**



Five ways an HSA can help you save for your future

› **Money is not taxed.**

Money goes into your HSA pre-tax and when used for eligible health care expenses, reimbursements are also tax-free.

› **No “use it or lose it” rule.**

Money in your HSA belongs to you, even if you change jobs, or health plans, or retire.

› **Invest and grow your money.**

Invest your HSA funds in an interest-bearing account or our standard mutual fund lineup. Investors may opt for a Health Brokerage Account powered by Charles Schwab, giving you access to more than 8,500 mutual funds, stocks, and bonds.

› **More flexibility and choice.**

Use your HSA dollars tax-free for eligible expenses that may not be covered by your health plan.

› **Even out medical expense highs and lows.**

Save HSA money when you're healthy so it's ready when you need it.

HSA Contribution Limits

	2022 limits
Single	\$3,650
Family	\$7,300
Catch Up (age 55+)	\$1,000



Here's what's covered

There are thousands of eligible items. The list includes but is not limited to:

- Copays, coinsurance, insurance premiums
- Doctor visits and surgeries
- Over-the-counter medications (first aid, allergy, asthma, cold/flu, heartburn, etc.)
- Prescription drugs
- Birthing and lamaze classes
- Dental and orthodontia
- Vision expenses, such as frames, contacts, prescription sunglasses, etc.

We're here for you

If you can't find the answers you're looking for online, give us a call. You can speak with one of our specially trained HSA customer service representatives.

1-866-451-3399

6am - 9pm CST, Monday - Friday

Common ineligible expenses include:

- Payments for health insurance premiums or contributions for self-funded health coverage generally aren't qualifying expenses.
- Premiums for a Medicare supplemental policy and Medigap aren't eligible. Expenses solely for cosmetic reasons generally aren't expenses for medical care. Also, expenses that are merely beneficial to your general health aren't eligible.
- Non-medical withdrawals
- You can make withdrawals from your HSA for non-medical expenses at any time.
- Non-medical distributions become taxable income, and a 20% penalty may apply.
- If you are disabled or at least age 65, you can withdraw funds without penalty, but you must report your distribution as taxable income

Quick reminders

- At Open Enrollment, you must select an HSA-compatible HDHP plan.
- WEX will send your MHC/WEX Visa Debit Card by mail.
- Download the WEX mobile app or use the website to view and manage your account.