

Health Savings Account (HSA)

Advantages of an HSA:

- Affordability - Lower health care premiums by having a High Deductible Health Plan (HDHP)
- Flexibility - Use funds for current medical expenses or save for future expenses (no use it or lose it)
- Control - Individual has control on using it or saving it
- Tax savings - Tax deduction of contribution, tax-free earnings through investment, tax-free withdrawals for qualified medical expenses*

Those eligible include any individual:

- Who is covered by a high deductible health plan
- Who is not covered by other health insurance
- Who is not enrolled in Medicare
- Who cannot be claimed as a dependent on someone else's tax return
- No income limits on who can contribute
- No requirement of having earned income

In 2018, High Deductible Health Plan (HDHP) is defined:

- Deductible is at least \$1,350.00 for self-only
- Deductible is at least \$2,700.00 for family
- Out of pocket expenses can not exceed \$6,650.00 for self-only
- Out of pocket expenses can not exceed \$13,300.00 for family
- Out of pocket expenses include deductibles and co-pay but not premiums

For 2018, the maximum contribution is:

- \$3,450.00 self-only coverage - Age 55 and over is \$4,450.00
- \$6,850.00 family coverage** - Age 55 and over is \$7,850.00
- Catch-up for individuals age 55 and older is \$1,000
- Insured can contribute on the 1st of the month following the month they come under HDHP
- Contributions can be made as late as April 15th of the following year

BankIowa's HSA:

- Checking account
- Interest for checking - 1.00% annual percentage yield***
- \$4.95 monthly service fee****
- Free debit card*****
- No minimum opening deposit
- Free checks - duplicate or wallet



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*Consult your tax advisor for tax deductibility.

**As of 03/07/2018 the family coverage maximum contribution has been decreased from \$6900.00 to meet IRS regulations. This change is retroactive to 01/01/2018.

*** Rates accurate as of 03/07/2018. Fees may reduce earnings

**** Monthly service fee waived if daily, minimum balance of \$1,500 is maintained.

*****Subject to credit approval

Member FDIC