



Health Savings Account

Let us help you maximize your health care plan and save for your medical expenses with a TCU Health Savings Account!

What is a Health Savings Account?

A Health Savings Account (HSA) is a tax-free account that allows you to conveniently save and pay for your qualified health care expenses. Not only does an HSA help you save for your future, but it also lowers your current taxable income. Plus, the HSA funds you do not use will remain available in your account and will continue to earn interest at TCU's competitive interest rate. And don't forget, no taxes are taken out of the money you contribute, the interest you earn or withdrawals for qualified medical expenses.

How does an HSA work?

It's a savings account that allows you to take the money currently spent on a high-cost traditional health plan and split it by placing a portion towards a low-cost higher deductible plan and deposit the balance into a tax deductible savings account. Then, your HSA can be used to help pay for your covered medical expenses until your deductible is met. Should the need arise, the high deductible insurance plan takes care of all qualified medical expenses after your deductible is met.

How can I benefit from an HSA?

The money deposited into your account is 100% tax deductible and can be easily accessed to pay medical bills tax-free. Plus, your HSA can be used for expenses not typically covered by insurance (such as dental and vision) and the money you do not use stays in your account and keeps growing on a tax-favored basis. In summary, an HSA offers:

- **Lower Premiums** – High Deductible Health Plans (HDHP) usually offer lower premiums which means you could benefit by contributing the difference to your HSA.
- **Lower Taxes** – providing you triple tax savings:
 - Tax deductions when you contribute to your account
 - Tax-free earnings
 - Tax-free withdrawals for qualified medical expenses
- **Freedom of Choice** – you get to decide:
 - How much money to put into your account (IRS contribution limits apply*)
 - Which medical expenses to pay from your account
- **Additional Benefits** – based on with your specific needs:
 - Long-term care insurance
 - Health care continuation coverage (COBRA)
 - Health care coverage while receiving unemployment compensation (under federal or state law)
 - Medicare and other health care coverage (65 or older)
- **Convenient Access to your HSA Funds** – with your TCU HSA Debit Mastercard® that can earn .5% cash back on signature based transactions.



The 2021 contribution Limits:

Single \$3,600 Family \$7,200. Also, there is a catch up provision for those 55 years and older of \$1,000/year.

Open your HSA online at tcunet.com/hsaonline

USE PROMO CODE: CarmelClayHSA

Contact Dee or Stephanie if you have any questions:

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©Teachers Credit Union. All new members will need to make an initial \$5.00 deposit and the one time \$7.00 membership fee will be assessed with the first direct deposit into the HSA account. Other fees may apply as described in the common features. See TCU terms and conditions for details. *Visit IRS.gov for information.

