

Health Savings Account (HSA)

For employees enrolled in a high deductible health plan



What is an HSA?

A Health Savings Account (HSA) is a pretax account that you can use to pay for eligible medical, dental and vision expenses while reducing your taxable income. Health Savings Accounts are available to anyone enrolled in a high deductible health care plan.

What are the advantages?

- No federal (or state, in most cases) taxes
- No FICA (social security and Medicare) taxes
- Tax-free withdrawals for qualified medical expenses
- Tax-free investing within your account

HSAs roll over year over year – your balance carries over each year AND belongs to you – it cannot be forfeited even if you leave employment.

For more information, visit: voya.benstrat.com



Save

Benefit from *four* tax advantages as you save for healthcare expenses.



Grow

Build your balance year after year; it's yours to save or invest.¹



Spend

Spend on medical expenses today, plus medical and non-medical expenses after age 65.²

What can be paid for with my HSA?

Eligible expenses include, but are not limited to:

- Medical Deductible
- Dental Care
- Vision Exams
- Prescription Drugs
- Doctors' Visits and co-pays
- Laser eye surgery
- Hearing aids and batteries
- Diagnostic Tests
- Crutches
- Chiropractor
- Artificial limbs/teeth
- Ambulance
- Diabetic Supplies
- Midwife
- Smoking Cessation Programs
- Well child/preventative exams through age 18
- Biometric screenings
- Annual Physical Exam – adults
- Medical Alert Bracelets
- Vaccinations
- Infertility Treatment
- Physical Therapy
- Surgery, excluding cosmetic surgery

2023 Annual Maximums

Both you and your employer may contribute to your account; the annual maximum applies to your combined contributions

Individual Coverage: \$3,850

Family Coverage: \$7,750

Catch-Up Contribution: \$1,000
(allowed for those age 55 and over)

Orland School District 135 will contribute \$1,500 towards the single limit and \$3,000 towards the family limit.

*contribution available to active employees only

**contribution prorated based on hire date

Grow over time as you save with the option to invest

Once a contribution is made, whether it's by you or your employer, it's yours to save and/or invest. The balance will roll over year after year, and once it reaches the investment threshold, you'll have the option to invest the funds in your account. (As with any investment, there are risks; make sure to fully explore those risks before choosing to invest your balance.)

As you work toward retirement, you'll be able to make withdrawals as needed for qualified medical expenses. At age 55, you can contribute an additional \$1,000 each year. Then, after age 65 you'll be able to make withdrawals for non-medical expenses, such as Medicare Advantage premiums; the only difference is they'll be taxed as ordinary income, just like withdrawals from a 401k or IRA.

¹ Investments are not FDIC Insured, are not guaranteed by Voya Benefits Company, LLC (in New York, doing business as Voya BC, LLC), and may lose value. All investing involves risks of fluctuating prices and the uncertainties of return and yield inherent in investing. All security transactions involve substantial risk of loss.

² The list of eligible expenses are set by federal regulations and are subject to change. Contact your Plan Administrator for more information or visit www.irs.gov for details. The amount you save in taxes will vary depending on the amount you set aside in the account, your annual earnings, whether or not you pay Social Security taxes, the number of exemptions and deductions you claim on your tax return, your tax bracket and your state and local tax regulations. Check with your tax advisor for information on whether your participation will affect your tax savings.

Health Savings Accounts offered by Voya Benefits Company, LLC (in New York, doing business as Voya BC, LLC). Administration services provided by WEX Health, Inc., and Benefit Strategies, LLC.

This highlights some of the benefits of a Health Savings Account. If there is a discrepancy between this material and the plan documents, the plan documents will govern. WEX Health, Inc. reserves the right to amend or modify the services at any time.

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