

# HSA 101

## UNDERSTANDING THE BENEFITS OF A HEALTH SAVINGS ACCOUNT



## HARNESS THE POWER

A health savings account (HSA) is a powerful way to set aside money for healthcare expenses — now and in the future. You determine how much of your pay goes into your HSA, and the funds can be used to pay current health-related expenses or as a supplemental way to prepare for healthcare costs in retirement. Plus, you can take penalty-free HSA distributions for any reason at age 65. Just keep in mind those withdrawals will be taxed as ordinary income.

## 6 KEY BENEFITS OF AN HSA

### TRIPLE TAX ADVANTAGE

You pay no federal income tax on HSA contributions, current investment growth, or withdrawals when the money is used to pay qualifying medical expenses

### ALWAYS YOURS TO KEEP

Unlike a healthcare flexible spending account (FSA), HSA balances remain yours each year with no use-it-or-lose-it requirement

### CONVENIENCE

Your HSA debit card can be used for payment, with no requirement to immediately verify the expense (we recommend keeping receipts for tax purposes)

### EASY ACCESS

View retirement plan and HSA account balances through **transamerica.com**; one sign-on, one password, one service number

### POTENTIAL RETIREMENT BOOST

If you don't need to access savings to cover current health-related expenses, an HSA can act as a highly tax-favored retirement account

### FLEXIBILITY

Because your HSA is an individual account, you can still access it if you change employers



## ELIGIBILITY

You must be enrolled in a high-deductible health plan (HDHP) to be eligible to contribute to an HSA.

### YOU ARE NOT ELIGIBLE IF:

- Someone claims you as a dependent on their taxes
- You are enrolled in Medicare
- You are contributing to a healthcare FSA
- You are covered by select health reimbursement arrangements (HRAs)
- Your spouse is contributing to a healthcare FSA

## MAKE THE MOST OF YOUR HSA

Because of the unique tax advantages, your HSA is at its best when used as a supplemental retirement account to cover future healthcare costs. Whether you spend the money now or later, here are some examples of eligible expenses covered by an HSA.



**COPAYS, COINSURANCE,  
INSURANCE PREMIUMS**



**DOCTOR VISITS AND CERTAIN  
SURGICAL PROCEDURES**



**OVER-THE-COUNTER  
MEDICATIONS**



**PRESCRIPTION DRUGS**



**DENTAL AND  
ORTHODONTICS**



**VISION EXPENSES SUCH  
AS FRAMES, CONTACTS,  
PRESCRIPTION SUNGLASSES**

## Preparing for the future goes beyond your traditional retirement accounts.

Consider taking advantage of an HSA today.



**Visit:** [transamerica.com/portal](https://transamerica.com/portal)

Health savings products and services offered through Transamerica Health Savings Solutions, LLC.  
All Transamerica companies identified are affiliated.