

# Health Savings Accounts

## What is a Health Savings Account?

A Health Savings Account (HSA) is a bank account that allows you to accumulate funds pretax to pay for qualified health care expenses. You may use your HSA funds to pay for current expenses or save the funds for expenses in retirement. You own the account and are responsible for monitoring your account and complying with the eligibility, contribution, distribution and tax reporting rules. ASIFlex nor your employer or the bank custodian, HSA Central, monitors your HSA.

## How does an HSA work?

An HSA is similar to a bank checking account. Generally, you make contributions pretax through payroll deductions. You can also do online fund transfers or rollover funds from other HSAs. As you incur qualifying health care expenses, you choose if you want to use the HSA funds to cover that expense.

## What are the benefits of an HSA?

There are several benefits of an HSA:

- Contributions are 100% tax deductible.
- Funds grow on a tax-deferred basis, and if the funds are used for eligible expenses, they are tax free.
- Funds carry over from one year to the next.
- Funds can be used now for current expenses, or saved for future expenses.
- You own the account and keep it if you leave your job or retire.
- You can invest your funds to earn investment income tax-free.
- You choose when to make your contribution and how to invest.
- After age 65, funds can be used tax-free for eligible expenses, including Medicare premiums, or taxed with no penalty for other expenses.

## Who is eligible for an HSA?

You must be covered by a qualified high-deductible health plan (HDHP) as defined in IRS guidelines. In addition:

- You cannot be enrolled in any other health coverage, including Medicare.
- You must have no other health coverage except accident, disability, vision, dental, long-term care or specific disease insurance.
- You cannot be covered by a general-purpose health care flexible spending account (FSA) or health reimbursement arrangement (HRA). **You can be covered by a limited-purpose FSA or HRA to pay for dental and vision.**
- You cannot be enrolled in Medicare.
- You cannot receive health benefits under Tricare.
- You cannot have received Veterans Administration (VA) benefits within the past three months.
- You cannot be claimed as a dependent on someone else's tax return.



**HSA Central**  
**Bank Custodian**  
hsacentral.net  
833.232.4676

### Monthly fees

- Debit card: Free to account holders
- Electronic statements: Free
- Paper Statements: \$3.00
- Bill Pay: Free

### ASIFlex Customer Service

ASIFlex.com  
[asi@asiflex.com](mailto:asi@asiflex.com)  
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Columbia, MO 65205-6044

Administered by:



## How much can I contribute to my HSA?

Your contribution limit is determined by your HDHP plan coverage level.

Coverage level	2025 Limits
Self-only coverage	\$4,300
Family coverage	\$8,550
Catch-up for ages 55 or older	\$1,000

## Who can contribute to my HSA?

Any eligible individual can contribute to an HSA. For an employee's HSA, the employee, the employer or both may contribute to the HSA in the same year. Family members or any other person may also make contributions on behalf of an eligible individual. You can also rollover funds from other HSAs.

## Can I invest my HSA funds?

You can invest your HSA funds once you have a minimum cash balance as established under your employer plan. And, you can set up your account so that funds are automatically invested once you exceed the minimum cash balance. You'll have a choice of various mutual funds, or you can work with an HSA Central Investment Advisor by calling 800-392-8082.

## Why is there a minimum balance required in order to invest?

Most bank custodians require a minimum to protect you. Requiring a minimum balance ensures that you have some cash on hand in the event of a large medical expense. If all money were invested, you might be forced to liquidate an investment to pay for medical expenses.

## Does having an HSA impact my ability to also have a health care flexible spending account (HCFSA)?

If you enroll in an HSA, you cannot enroll in a general-purpose HCFSA. **However, you may enroll in a limited-purpose health care FSA (LPFSA), which allows you to pay for dental and vision expenses.** By participating in both the HSA and LPFSA, you can maximize your tax savings and preserve the value of your HSA.

## How do I sign up for an HSA?

First, you must enroll in the HDHP. Next, you must decide how much to contribute to your HSA and LPFSA. Finally, you need to open the bank account, i.e., the HSA. Instructions to open your HSA will be provided to you.

## How do I access my HSA funds?

Your funds are available as you contribute throughout the year. As you have eligible expenses, you can:

- Use your HSA Central MasterCard® debit card to pay for health care services or supplies.
- Make a payment with free online Bill Pay by logging into HSA Central or the HSA Central App.
- Reimburse yourself for an expense you already paid by accessing funds at an ATM or logging into HSA Central and sending a check.

For easy record-keeping, you'll also have the option to receive monthly statements showing your transaction or you can receive eStatements online for free.

## What happens if I have a current HSA?

If you already have an HSA with another bank, you may transfer your funds to your HSA Central account. You may also choose to keep your previous HSA, but pretax contributions from your paycheck will be deposited only into your HSA Central account. For help in moving HSA funds call 833.232.4676.

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For more information, visit [ASIFlex.com](http://ASIFlex.com) to obtain IRS Publication 969, *Health Savings Accounts and Other Tax-Favored Health Plans*; and IRS Publication 502, *Medical and Dental Expenses*. Be sure to consult with a qualified tax advisor for questions related to your personal tax situation.