Health Savings Accounts (HSA)

✓ Tax-exempt account for medical expenses ✓ Balance rolls over from year to year ✓ Easy access to funds

Pay medical expenses from a tax-exempt account

When you open a Health Savings Account (HSA), you accumulate money tax-free to pay current and future health care expenses for yourself and your family.

Convenient payment and tracking

When it's time to pay a qualified medical expense, simply use the free checks or Visa® Check Card that come with your HSA.

Qualifying for an HSA

Health savings accounts are designed for people with certain health care coverage. You qualify if:

- You are covered by a qualifying High Deductible Health Plan.
- You are not covered by another type of health plan.
- You are not enrolled in Medicare.
- You are not claimed as a dependant on another individual's tax return.

Making the most of your account

- Your Health Savings Account earns dividends on balances of $50 and over, so you may consider contributing the maximum amount for 2015: $3,350 for Single coverage and $6,650 for Family coverage. In addition, members between the ages of 55 and 65 can make a catch-up contribution of $1,000.
- Money not used to pay for qualified medical expenses carries over to the following year, and continues to grow tax deferred.
- To determine which medical expenses are qualified, refer to Section 213 of the IRS code, under Publication 502: Medical and Dental Expenses. To order Publication 502, call 1-800-TAX-FORM or go to www.irs.gov.

Understanding the tax benefits

100% of contributions you make to an HSA are tax deductible as long as they do not exceed the maximum annual contribution amount. Employer contributions are not deductible. However, employer contributions do not count as wages for federal income tax purposes. Your earnings grow tax deferred and qualified medical expenses are tax-free.

Qualified payments from your Health Saving Account are excluded from gross income. Any other distributions are included in your gross income and are subject to additional taxes (some exceptions apply).

Talk with your tax advisor to make sure you are getting the most value from your account.

Check current rates

Check rates online at alaskausa.org.

Opening your account

Visit any branch to open your Health Savings Account.

alaskausa.org

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