

### Take your tax savings to whole new level.

A Health Savings Account (HSA) allows you to use pre-tax funds to pay for qualified medical expenses, now or later in life. It can be a key component your healthcare and financial fitness in the short-term and the long-term.

#### The Basics:

An HSA, or Health Savings Account, is a tax-favored IRA-type trust or custodial account. This account has to be coupled with a Qualified High Deductible Health Plan (QHDHP) meeting the IRS requirements and is used to pay for certain medical expenses of the eligible individual and their spouses and/or tax dependents. This account gives you the freedom to manage your own health care.

You can use the account to pay for medical, prescription, dental and vision expenses for yourself, your spouse, or your tax dependent. Because of the rich tax advantages, the IRS caps the amount that individuals are allowed to contribute each year.

Coverage in QHDHP	2015 Contribution Limit
Individual	\$3,350.00
Family	\$6,650.00
Catch-up contribution (for individuals 55 and older)	Add \$1,000

#### The Savings:

You'll gain a Triple Tax Advantage by utilizing your HSA.

- 1. Contributions:** You make contributions out of your own money on a pre-tax basis – directly through payroll contributions or by claiming a deduction at the end of the year. Funds contributed by your employer are also tax-free.
- 2. Growth:** Let your money work for you, earning interest and investment gains.
- 3. Distributions:** When used to pay for healthcare expenses, you pay no taxes as you spend.

#### Peace of Mind:

Funds in your HSA are yours to keep – even if you change jobs, move, or retire. If at some point you cease to be covered under a QHDHP, you may need to stop contributing to the plan. Even then, you can use what you've already put in on a tax-free basis for the medical expenses of you and your family. You can even name a beneficiary to receive any existing funds upon your death. You also have the ability to alter your pre-tax contributions throughout the year – so if your needs change part way through, you can either increase or decrease the level of funding.

#### Managing Your HSA:

Participants will be able to access and manage their accounts online through BPC's web portal and Mobile App. You can check your balance, view the status of your debit card, control your investments, or even setup online bill payments.

You won't be asked by BPC or the custodial bank to submit documentation to justify or prove the validity of your expenses. You are responsible as the owner of the account to use the funds properly and maintain records of your qualified medical expenses.

