

SimplyHSA simply *makes sense.*

With SimplyHSA, you can pay less now for health expenses ***and*** pay less later.

What is SimplyHSA?

How a Health Savings Account Works

SimplyHSA from Employee Benefits Corporation is a Health Savings Account (HSA), a personal savings account that can be used to pay for medical, dental, vision and other qualified health expenses now or later in life. To contribute to an HSA you must be enrolled in a qualified high-deductible health plan and your contributions are limited annually. If your employer offers payroll deduction, you'll see immediate tax savings on your contributions. You can use the money tax-free to pay for eligible expenses such as:

- **Copays & deductibles**
- **Hearing aids**
- **Prescriptions**
- **Laser eye surgery**
- **Dental care**
- **Orthodontia**
- **Contacts & eyeglasses**
- **Chiropractic care**

Since it is a savings account, you are encouraged to save more than you spend. Unlike FSA funds which are "use-it-or-lose-it," your HSA balance rolls over from year-to-year earning interest along the way. The account is portable, meaning if you ever leave your employer, you can take the HSA with you because it's your money and your account.

HSAs Offer a Triple Tax Advantage

1. Money goes in tax-free

Most employers offer a payroll deduction through a Section 125 Cafeteria Plan, allowing you to make contributions to your HSA on a pre-tax basis. The deduction is deposited into your HSA prior to taxes being applied to your paycheck, making your savings immediate. You can also contribute to your HSA post-tax and recognize the same tax savings by claiming the deduction when filing your annual taxes.

2. Money comes out tax-free

Eligible medical purchases can be made tax-free when you use your HSA. You can also pay out-of-pocket for eligible medical expenses and then reimburse yourself from your HSA. You can use your benefits debit card or online bill-pay, if available.

3. Earn interest, tax-free

The interest on HSA funds grows on a tax-free basis. And, unlike most savings accounts, interest earned on an HSA is not considered taxable income when the funds are used for eligible medical expenses.

When Do You Pay Taxes?

The only time you may pay taxes or penalties on your HSA funds is if you make an ineligible purchase, or if you contribute more than the yearly maximum contribution.

Advantages of an HSA

- No end-of-year forfeiture of funds
- Never pay taxes on money used for eligible medical expenses
- Portable account
- Provides an excellent savings vehicle for healthcare expenses

Benefits Debit Card



Spending your HSA funds on eligible expenses has never been easier. The Employee Benefits Corporation Benefits Card accesses SimplyHSA funds directly from your account and allows you to avoid out-of-pocket expenses and cumbersome paperwork.

How can an HSA help secure my retirement?

Participation in a health savings account allows you to invest pre-tax dollars to prepare for retirement. Although your funds can be used to pay for immediate healthcare expenses tax-free, you can save the money for healthcare expenses later in life. You can continue to contribute year after year and withdrawals can be made at any point in time. Whether you withdraw the money tomorrow, five years from now, or in retirement, funds used for qualified healthcare expenses are always tax-free when you save your receipt.

Here's a simple example*:

Contribute $50 per month over 25 years:

Tax Savings:	***$4,148***
SimplyHSA Balance:	***$22,356***

Contribute $200 per month over 25 years:

Tax Savings:	***$16,590***
SimplyHSA Balance:	***$89,425***

Contribute $500 per month over 25 years:

Tax Savings:	***$41,475***
SimplyHSA Balance:	***$223,561***

**For illustrative purposes only. Savings calculations are based on a federal tax rate of 15%, state tax rate of 5%, and 7.65% FICA. Balance calculations assume an average interest rate of 3%. Actual results may vary.*

Terminating Employment

Good news — in the event your employment status changed, you'll be able to take SimplyHSA with you!

SimplyHSA allows you to save money now for future health care expenses. With SimplyHSA you will have continuous access to helpful resources in your online account, and full customer support from Employee Benefits Corporation's Participant Services team.

When terminating employment, you will have the option to complete a short form in order to retain your SimplyHSA account. Ask your employer, or call Participant Services at 800 346 2126 (or email participantservices@ebcflex.com) to receive the required form.

Upon termination from your employer's plan, your SimplyHSA plan will become your own individual account. This means you will communicate directly with Employee Benefits Corporation about your SimplyHSA plan, as it would no longer be associated with your employer at that time.

When you make this switch, please be aware:

- You will receive an email containing helpful information about your account.
- Your Benefits Card will be cancelled and a new Benefits Card will be mailed to you within 10 business days.

Employee Benefits Corporation
We make it easy.

P: 800 346 2126 | 608 831 8445
F: 608 831 4790
P.O. Box 44347
Madison, WI 53744-4347
An employee-owned company
www.ebcflex.com

Learn more about SimplyHSA.

Contact us | participantservices@ebcflex.com

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