

Fact sheet:

Health Savings Accounts (HSAs)

Q: What is an HSA and how does it work?

A: A health savings account (HSA) is a tax-advantaged account that works in conjunction with an HSA-eligible health plan that meets IRS guidelines and allows the participant to save tax-free money for eligible medical expenses. Money in an HSA accumulates year after year and is owned by the participant even if they change jobs or health plans.

Q: What expenses are eligible?

A: Any out-of-pocket and unreimbursed medical expenses allowed under section 213(d) of the Internal Revenue Code, including medical premiums (under limited circumstances) and long-term care expenses. A complete list can be found at hellofurther.com

Q: What are the IRS guidelines the health plan must meet?

A: An HSA can only be opened with a health plan that meets the following IRS rules:

Minimum deductible:

Single Min Deductible	Family Min Deductible
2023: \$1,500	2023: \$3,000
2024: \$1,600	2024: \$3,200

Out of pocket maximum:

Single Out of Pocket Max	Family Out of Pocket Max
2023: \$7,500	2023: \$15,000
2024: \$8,050	2024: \$16,100

Q: How is an HSA funded?

A: Contributions to an HSA can come from the account holder, the employer or both. The HSA contribution limits for individual or family health plans change annually and are as follows:

Single Contribution Limit	Family Contribution Limit
2023: \$3,850	2023: \$7,750
2024: \$4,150	2024: \$8,300

Once age 55, individuals can contribute an additional \$1,000 towards their HSA account.

Q: How do employees save on taxes?

A: Account holders receive a “triple tax benefit”:

- **Taxable income reduction:** Contributions to their HSA are pretax, which lowers their taxable income and stretches their dollars further.
- **Tax-free earnings:** Further offers competitive interest rates and investment options for eligible HSA plans. This growth is never taxed.
- **Tax-free distributions:** Withdrawals are not subject to taxation when used to pay for eligible expenses.

Q: What investment options are available?

A: The account holder can leave their entire HSA balance at Further, where it earns interest, or choose to invest a portion of it. Once an HSA base balance exceeds \$1,000, the account holder can open a basic investment account, giving them access to more than 30 mutual funds. At least \$1,000 must be maintained in the base balance of the HSA account. Mutual funds are selected by Devenir Investment Advisors, LLC, a registered investment advisor.

In addition, when the basic investment account balance exceeds \$10,000, the account holder can open a self-directed brokerage investment account with Charles Schwab. This account allows access to more than 2,500 mutual funds from a variety of fund families, as well as stocks, bonds and other investments.

Q: Do you have an FDIC-insured account?

A: Yes, Further offers an FDIC-insured account.

Q: Is a debit card available?

A: Yes. A Visa® Debit Card is available for eligible medical expenses, and can be used at the point of purchase or after care.¹

¹The Further Visa Debit Card is issued by The Bancorp Bank, pursuant to a license from Visa U.S.A. Inc. and can be used for qualified expenses wherever Visa debit cards are accepted.

Learn more.

Talk to a health care spending administration expert.

Your Further sales representative can provide you with more information.

Call **855-363-2583** or visit **hellofurther.com**.

The Further difference

Since 1989, Further has served as a trusted industry innovator, helping customers plan, save and pay for health care costs. We have a deep understanding of health plan benefit design and administration. What does this mean for you? It means that you and your clients get:

- Best-in-class customer service
- Hassle-free health care savings administration
- Low fees and high interest rates
- State-of-the-art reporting, marketing and branding capabilities