



What's all this HSA talk?

Health Savings Accounts can be a scary topic. Mostly, because we don't understand them and all that tax talk becomes confusing. So we choose to just bypass that funny business all together. But what if we told you, opening a Health Savings Account (HSA) could be an investment tool. Or that you can get a triple tax advantage (we'll explain). Interested? Let us tell you more.

First things first. What IS a Health Savings Account (HSA)? An HSA is a personal savings account designed to help you alleviate the cost of medical expenses. They help those with high-deductible savings plans (HDSPs) save money for out-of-

-pocket expenses like prescriptions and doctor visits. Typically, your employer will offer a payroll deduction option that allows you to contribute to your HSA--pretax. Every dollar you contribute is another dollar saved. This is your first tax advantage. The second; tax- free gains. Any gains on your money are tax-free, so you keep 100% of the money you earn in interest. Finally, any withdrawals you make on your account for qualified medical expenses are tax-free.

So what are the other benefits? Control. You decide how much money to deposit into your HSA. Each year, a single coverage plan can contribute up to \$3450 and a family, \$6850. For those 55 and older, you have the option to make a "catch-up" contribution which is an additional \$1000 that year. And the best part--it rolls over year to year. Need an example? You bet! Let's say Sally has contributed the max to her HSA for 2017, \$3450. She's only used \$650 of that for medical expenses. That means \$2800 will be available in her account for 2018 AND she can contribute another \$3450 for the year; tax-free!

A Health Savings Account can be used for a lot of medical expenses. For a complete list, hop onto the IRS website and peek over their eligible expense list. In the meantime, we've included a small sampling to give you a taste. Eye exams, co-pays, flu shots, physical therapy, medical supplies, childbirth classes, guide dogs, long-term care, vaccinations, wheelchair, prescription sunglasses and the list goes on. When you open an HSA, a debit card is included (and/or checks) so that you can easily pay for expenses like you would gas or your morning coffee.

To learn more about how an HSA can help you budget for medical costs or monthly prescriptions stop on in and speak with our HSA expert, Kristin Robinson. If you are a business looking to set up your employees, give us a jingle! We make onsite visits to educate your employees on the benefits of an HSA and can enroll onsite.



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