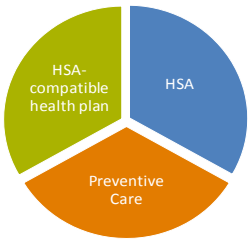
Helping you save for the future

What is an HSA?

A Health Savings Account (HSA) is a tax-advantaged personal savings account that you can use to save and pay for health care expenses, now or in the future. In addition to being a powerful financial savings tool, an HSA also empowers you to take control of your health care decisions. You can open and contribute to an HSA when you sign up for an HSA-Compatible health plan. You use your HSA to save and pay for any qualified medical expenses you pay out of pocket.

An HSA is made up of three components:



1. Qualified high deductible medical plan - covers serious illness or injury once deductible has been met
2. Tax-advantaged financial account - helps pay your deductible and other out-of-pocket medical expenses
3. Preventive care to keep you and your family healthy - preventive care services typically covered by your HSA-compatible health plan at little or no cost, without being subject to your deductible

Key Advantages of an HSA

- The HSA is a great way to save on qualified health care expenses today and save for health care expenses tomorrow. Unlike other savings accounts, HSAs offer the ability to contribute tax-free dollars, earn tax-free interest and withdraw money tax-free when you pay for qualified medical expenses.
- The HSA is yours, meaning any funds contributed to your account by you, your employer or anyone else are yours to keep and use for qualified medical expenses both while you have your HSA-eligible health coverage and as long as you have a balance (even after your coverage ends).
- There is no "use it or lose it" provision with an HSA. If you don't use the money in your account by the end of the year, it just stays there and collects interest.
- The HealthHub® HSA gives you the ability to invest your deposits in mutual funds. The HealthHub™ HSA offers you many types of investment options to suit your needs.

Am I eligible for an HSA?

In order to be eligible for an HSA, you must be enrolled in a HSA-compatible health plan and have no other health coverage that reimburses you for out of pocket expenses below your deductible. In addition, if you are enrolled in a general purpose Flexible Spending Account (FSA), you are unable to contribute to a Health Savings Account.

Getting started is easy!

First, you enroll in the HSA-eligible health plan and then follow the instructions provided by your employer for completing the account opening process.

Next, determine how much you want to contribute to your HSA. The maximum amount that you can contribute to an HSA in a tax year is established by the IRS and is dependent on whether you have single or family coverage for your HSA-eligible health plan. For 2011, the contribution limits are: $3,050 for single coverage and $6,150 for family coverage. The 2012 contribution limits have been increased to a maximum of $3,100 for single coverage and $6,250 for family coverage.

If you enroll in an HSA anytime between January 1 and December 1 of the current tax year, based on the IRS eligibility regulations, you are allowed to make the full contribution regardless of the date you actually enroll in your HSA-eligible health plan. Contributions can be made on a pre-tax (through payroll deduction) or post-tax basis (through a deduction from your adjusted gross income on your personal income tax return). In addition, you are allowed a one-time, tax-free trustee-to-trustee transfer of IRA funds into an HSA.

Flexible and convenient ways to pay

After your account is setup, you will receive a PayFlex Card™ for your HSA. The PayFlex Card is a MasterCard® which can be used for all qualified expenses. You also have plenty of other ways to pay; including the ability to transfer funds directly from your HSA to your own personal checking or savings account and paying your providers directly using our electronic bill payment. You can even use the website to record all your health care expense details and upload important health care documents and receipts.

To get started using the other payment options, simply login to HealthHub.com, click on the Financial Center and select Health Savings Account.

Some of the many expenses you can use your HSA funds to pay for include:

- Deductibles, copayments and coinsurance
- Prescription drugs
- Glasses, LASIK eye surgery and contact lenses
- Dental and orthodontic services
- Chiropractic and acupuncture treatments
- Certain fertility enhancement services including IVF
- Medicare premiums during retirement

*All participant funds are separately insured by the FDIC pursuant to Treasury Regulation 12 C.F.R. § 330.5.

HealthHub®
Powered by PayFlex®

Helping you save for the future

Investing your HSA dollars

Your initial contributions are made to an FDIC Insured interest bearing account. After you have accumulated enough funds to meet the requirements for investing, we offer you the ability to invest your HSA contributions in an array of mutual funds options.

With HealthHub, an HSA participant has the following investment options and planning tools:
- Prospectus
- Fund fact sheets
- Variety of mutual funds and five lifestyle based portfolios selected by an Advisor
- Asset allocation capabilities similar to 401(k)
- No transfer or trading fees

Just like a 401(k), account contributions to your HSA grow on a tax-deferred basis, accumulating exponentially over time. For example, annual contributions of $2,000 invested in mutual funds with an average rate of return of 6% could grow to:
- **$77,985** in 20 years, if no withdrawals are made from the HSA
- **$41,200** in 20 years, if 50% of each year's HSA contributions ($1,000) are withdrawn to pay for qualified medical expenses

A $1,000 minimum balance in the core HSA must be maintained before any contributions can be made into the investment account. There is no minimum investment amount that is required per trade request. For detailed information on these investment options, please visit HealthHub.com.

Your Health
Your Money
Your Choices

Control - you decide:
- How much money to put in the account and when
- How to invest your money
- Which medical expenses to pay from the account
- Tax savings now or investment earnings for tomorrow

Triple Tax Savings - you save with:
- Pre-tax contributions to your account
- Tax-free interest or investment earnings
- Tax-free withdrawals for qualified medical expenses

Ownership - you keep the money when you:
- Change jobs or become unemployed
- Change your health plan

Flexibility - you can:
- Use the money now for current health care expenses
- Carry over the unused balance at the end of the year for future needs
- Save for post-retirement expenses, such as long term care insurance and Medicare premiums

Stay informed whichever way you choose

Receive alerts and notifications related to account status and actions via HealthHub.com, HealthHub Mobile™ or SMS text messaging.

HealthHub Mobile™ gives participants access to:
- Account balances
- Transaction details
- HSA contributions and health plan deductibles
- HSA payment status

HealthHub.com has everything you need
- 24x7 access to account balance and transaction information
- Full summary of health care spending and savings
- Account withdrawals, contributions and transfers
- View account history and your expense details
- Attached receipt images and scanned Explanation of Benefits (EOBs) to HSA transactions using the My HSA Receipts feature
- View and print account statements
- Update account preferences
- View and download account forms

Questions?

Contact Customer Service at 800.284.4885, 7am-7pm, Monday – Friday and Saturday 9am-2pm CT.

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