

HEALTH SAVINGS ACCOUNT OVERVIEW

If you have an eligible high deductible health plan (HDHP)¹, a Health Savings Account (HSA) allows you to save money for qualified medical expenses incurred after the account is opened. The account works similar to an IRA, in that the money you contribute grows tax-free over time, giving you a tax-advantaged way to save for medical expenses. The amount of your annual contribution is determined by individual eligibility.

» *Eligibility*

To be eligible for a HSA, you must meet all of the requirements listed below. Eligibility information is also available at [irs.gov](https://www.irs.gov) (see IRS Publication 969).

- You are covered under a qualified HDHP.¹
- You are not covered by another health plan that is not a HDHP.²
- You are not enrolled for Medicare benefits.
- You are not eligible to be claimed as a dependent on another individual's tax return.
- You have HDHP coverage on the first day of the month in which the account is opened.

» *Benefits of a Health Savings Account*

- **Save on federal and state income taxes** – Your contributions may be deductible when determining your adjusted gross income.
- **Cover deductibles and qualified out-of-pocket expenses** – Account balances can be used to pay for any qualified medical expense incurred after the HSA is opened. Withdrawals used to pay for these qualified expenses are tax-free.
- **Take control** – You determine which qualified expenses will be paid from your HSA, how they will be paid and when.
- **Accrue balances year-to-year** – Unlike Flexible Spending Accounts, unused balances can be carried over from year-to-year and continue to grow on a tax-free basis.
- **Use HSA dollars to pay COBRA premiums** – Preserve your liquidity between jobs or during times of unemployment. Special tax-free withdrawals are permitted.
- **Purchase long-term care insurance** – Use tax-deferred dollars to plan for your long-term needs.
- **Supplement retirement income** – Once you enroll in Medicare, you may use HSA balances to pay for out-of-pocket Medicare expenses tax-free, or choose to use HSA balances for non-medical purposes by claiming the amount of the withdrawal as income for tax purposes penalty-free.

HSA OVERVIEW CONTINUED

» *Your HSA Account*

- Works like a checking account. Money can easily be deposited in your account at any time including payroll deduction and deposits at a branch.
- Receive a Johnson Financial Group HSA VISA® Debit Card with no annual fee, and easily withdraw your funds and make payments.³
- Earn a competitive interest rate on your tax-free balance.
- Access eBanking to review your balance, transactions and track spending.

» *Opening An Account*

Contact your benefits plan administrator or insurance professional to confirm your eligibility. Then contact your Johnson Financial Group advisor to establish your HSA and set up a contribution program.

ACCOUNT DETAILS	
Initial Minimum Opening Deposit	\$100
Monthly Cycle Maintenance Fee	None
Minimum Daily Ledger Balance, or	None
Combined Related Aggregate Ledger Balance	None
Account Closing Fee	\$30
Transaction/Activity Fees (Per Check, On-Us ATM, Foreign ATM or ACH/Electronic)	None
Interest Rate	Tiered (Contact Johnson Financial Group)
Interest Payment Frequency	Monthly
Statements	Semi-annual (Monthly if combined with a Johnson Bank checking account)



Products and services offered by Johnson Bank, Member FDIC, a Johnson Financial Group company.

¹ High Deductible Health Plan: A policy with an annual deductible of at least \$1,400/individual or \$2,800/family. The maximum out-of-pocket expenses are not to exceed the annual limits defined by the IRS. See your health insurance professional to determine if your insurance plan meets qualified HDHP requirements.

² Certain exceptions may apply.

³ VISA is a registered trademark of VISA, Inc.

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