

**HealthEquity®** | Health Savings Account (HSA)

HSA your way:  
spend, save and invest  
in your healthcare

Adobe

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Which of the following is  
NOT true about a Health  
Savings Account (HSA)?

- A. HSA funds roll over from year to year
- B. You can invest HSA funds
- C. HSA funds go with you if you leave your employer
- D. HSA funds are use it or lose it



HSA funds are NOT use it or lose it.

# What is an HSA?

An HSA or Health Savings Account is a personal savings account for health expenses



# Qualifying health plan + savings account

## HEALTH PLAN

HSA-qualified plan through insurance

The Adobe Aetna HealthSave and HealthSave Basic plans are HSA-qualified plans.



HealthEquity®

HSA through HealthEquity

Tax-free<sup>1</sup> savings for qualified out-of-pocket medical expenses

Kaiser HMO plans are not HSA eligible

# Features of an HSA

**AN EASY WIN**  
in today's  
— COMPLEX —  
**HEALTHCARE  
SYSTEM**

## Save now:

- Lower monthly insurance premiums
- HSA contributions aren't taxed
- Qualified medical expenses are tax-free<sup>1</sup>

## Save for the future:

- HSA funds roll over year after year
- You keep the money even if you change jobs or insurance plans
- Tax-free interest earned
- Simple investment options

# Who can contribute to an HSA?



**To contribute to an HSA, the IRS requires that:**

- You are covered *ONLY* by an HSA-qualified health plan
  - Other health coverage may disqualify you (including Medicare, Tricare, or a traditional health plan)
- You do not have access to a full purpose health care FSA (even through a spouse)
- You aren't claimed as a dependent on anyone's tax return

# Who contributes?

## ▪ You and Adobe:

- Eligible employees enrolled in the Aetna HealthSave medical plan\* in January will receive the following contribution to their HealthEquity HSA:
  - Adobe's individual contribution: **\$850**
  - Adobe's family contribution: **\$1,700**

*The funds will be deposited in full at the beginning of the plan year. If you join the plan or change from individual to family coverage after January, you will receive a prorated amount based on event date.*

## ▪ You can also contribute to the HSA

## ▪ You only:

- If you elect the Aetna HealthSave Basic medical plan, you can contribute to an HSA (there's no Adobe HSA contribution).



\*NOTE: Only those who are eligible to contribute to an HSA should enroll in the Aetna HealthSave (with HSA) medical plan. If you're enrolled in Medicare or TRICARE, you can enroll in an Aetna HealthSave plan without an HSA (no company HSA funding nor ability to make contributions yourself). When you first enroll, you are asked to certify your eligibility for an HSA as part of the enrollment process. If you are already enrolled, your certification rolls over to the new year but you should review and update if/when you have a change in your eligibility.

# Don't leave *money* on the **TABLE** for the IRS

**Put money into your HSA**

## Maximize your HSA contributions in 2022:

Single-coverage: \$3,650 (2021: \$3,600)  
save up to \$730 in taxes!<sup>1</sup>

Family-coverage: \$7,300 (2021: \$7,200)  
save up to \$1,460 in taxes!<sup>1</sup>

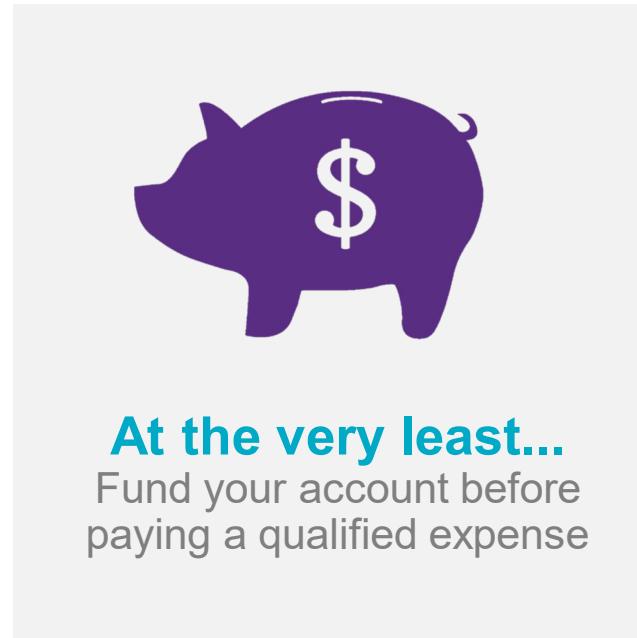
Catch-up contribution,  
age 55+: \$1,000

<sup>9</sup> 1Estimated savings are based on an assumed combined federal and state income tax bracket of 20%. Actual savings will depend on your taxable income and tax status. HealthEquity does not provide tax advice.

# How to add funds to your HSA

With the Adobe Aetna medical plans, you have the option to contribute to the HSA

- **Pre-tax contributions through payroll**
  - Change your payroll deductions any time (subject to payroll cut-off dates) on the Adobe Benefits Enrollment Site. ([benefits.adobe.com](http://benefits.adobe.com) > HSA Savings Account > [HSA contributions](#))
  - You can only contribute through Payroll for the current calendar year
- **Post-tax contributions directly through the HealthEquity member portal**
  - You can contribute for the previous calendar year starting January up until April 15
  - Funds you add directly on the portal do not go through your company's payroll



## At the very least...

Fund your account before paying a qualified expense

# What are qualified medical expenses?



HSA funds can be used for a variety of qualified medical, dental and vision expenses, including out-of-pocket costs for:

- Exams
- Prescriptions
- Procedures
- Contact lenses
- Dental treatment
- And much more!

For an expanded list of qualified medical expenses, visit:

**[HealthEquity.com/QME](https://HealthEquity.com/QME)**

# Can I use my HSA for my family?

Yes, expenses for your spouse and tax dependent children are qualified HSA expenses

Even if your family is not eligible or not covered on your HSA-qualified health plan



# How it works

## At the doctor's office...



# How it works

## At the pharmacy...

**1**  
Obtain  
prescription

**2**  
Pharmacy  
verifies  
coverage

**3**  
Pay for your  
prescription

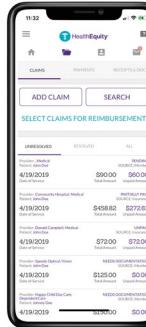
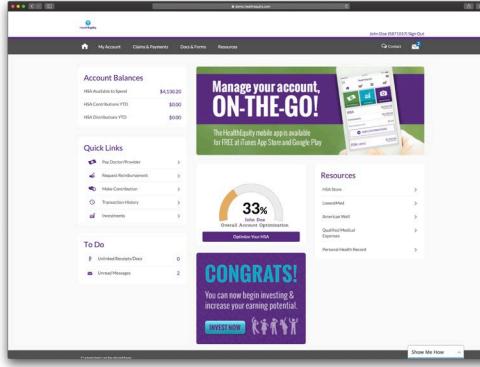
# How to pay using your HSA

- Pay using your HealthEquity debit card<sup>1</sup>
- Pay the provider directly through the HealthEquity member portal
- Pay out-of-pocket and reimburse yourself with tax-free HSA dollars



# How to manage your claims

- Your medical, dental, vision and prescription claims will appear in the HealthEquity member portal after your insurance has processed them
- You can manually upload your claims to the HealthEquity member portal
- Your claims and documents stay in your HealthEquity member portal regardless of account balance or activity



The examples used are for illustrative purposes only.

# How do you connect health and wealth?

- ✓ Smart spender
- ✓ Savvy saver
- ✓ Informed investor

Investments are subject to risk, including the possible loss of the principal invested, and are not FDIC or NCUA insured, or guaranteed by HealthEquity, Inc. Investing through the HealthEquity investment platform is subject to the terms and conditions of the Health Savings Account Custodial Agreement and any applicable investment supplement. Investing may not be suitable for everyone and before making any investments, review the fund's prospectus.



# Meet Holly

# Holly is a smart spender

- ✓ Chooses lower health plan premiums
- ✓ Plans annual healthcare expenses

The example used is for illustrative purposes only.



# Holly is a price shopper

- ✓ Chooses in-network providers
- ✓ Asks for generic Rx meds
- ✓ Shops around for diabetes monitors



The example used is for illustrative purposes only.

Spending isn't  
always planned.

**But Holly  
is ready**

The example used is for  
illustrative purposes only.





Visits to the Emergency Room typically cost how much more than going to an urgent care facility?

- A. 3 times more
- B. 7 times more
- C. 2 times more
- D. 5 times more



ER can cost 5 times more  
than going to an urgent care center.

**It pays to be  
a smart spender**



## Holly is a smart saver

- ✓ Makes pre-tax contributions
- ✓ Contributes the maximum each year

The example used is for illustrative purposes only.



# Contribution Limits

COVERAGE LEVEL	CONTRIBUTION LIMIT	TAX SAVINGS*	EMPLOYER CONTRIBUTIONS
<b>Single</b>	\$3,650	<b>\$1,095</b>	<b>\$850</b>
<b>Family</b>	\$7,300	<b>\$2,190</b>	<b>\$1,700</b>
<b>Age 55+</b>	\$1,000 catch-up	<b>\$300 extra</b>	

\*Estimated savings are based on an assumed combined federal and state income tax bracket of 30%. Actual savings will depend on your taxable income and tax status.

If you are on single coverage,  
because your employer contributes

\$850

you'll need to contribute

\$2,800

in order to reach the  
maximum contribution limit.



If you are on family coverage,  
because your employer contributes

\$1,700

you'll need to contribute

\$5,600

in order to reach the  
maximum contribution limit.



Holly plans her saving in only  
a few swipes and clicks



The example used is for illustrative purposes only.

# It pays to be a savvy saver



The example used is for  
illustrative purposes only.

**Meet Patricia  
and James**

# Patricia and James are informed investors

- ✓ Use HSA as retirement strategy
- ✓ Automated investing

The example used is for illustrative purposes only.





How much money do you think the average American couple will need to cover out-of-pocket healthcare costs in retirement if they were to retire today?

- A. \$125,000
- B. \$300,000
- C. \$270,000
- D. \$460,000



The average couple will need \$270,000 to cover OOP healthcare costs in retirement.

\*The average American couple will need \$270,000 to have a 90 percent chance of having enough money to cover out-of-pocket healthcare costs in retirement. Based on median prescription drug expenses. Source: Employee Benefit Research Institute 2020 - <https://www.ebri.org/content/a-bit-of-good-news-during-the-pandemic-savings-medicare-beneficiaries-need-for-health-expenses-decrease-in-2020>

# HSA IS LIKE A SECOND 401(k)

401(k)

\$1000 contribution

Taxes

HSA

\$1000 contribution

HSAs are never taxed at a federal income tax level when used appropriately for qualified medical expenses. Also, most states recognize HSA funds as tax-free with very few exceptions. Please consult a tax advisor regarding your state's specific rules.

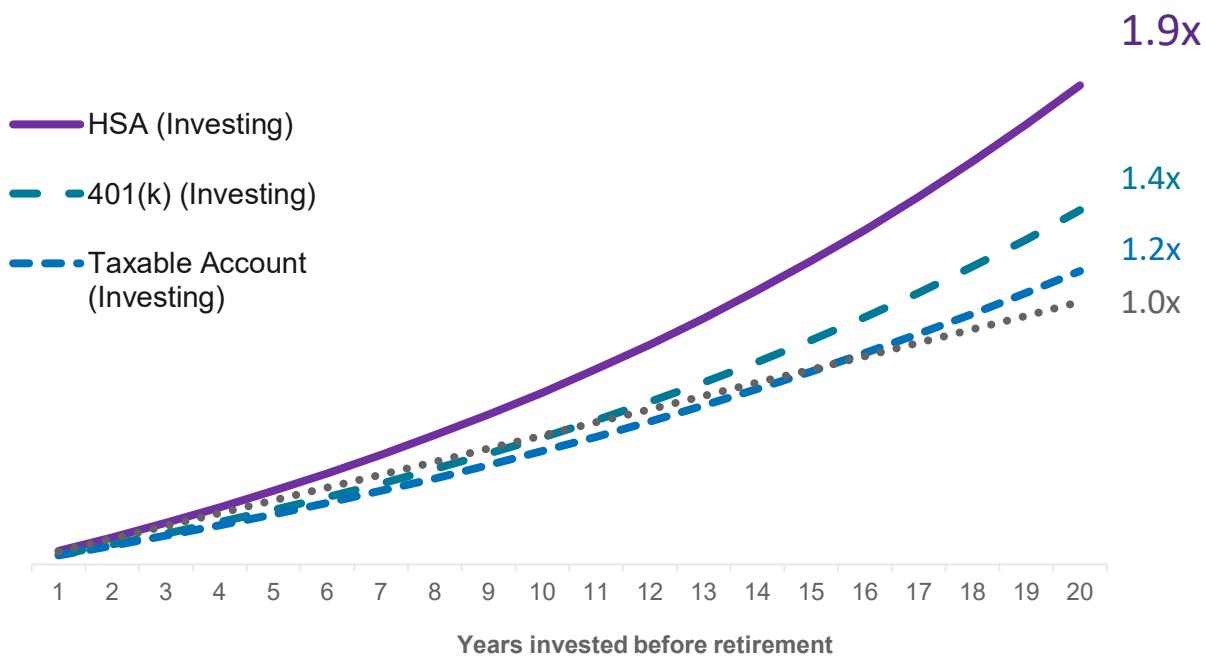


HSA distributions  
for qualified medical  
expenses are never taxed

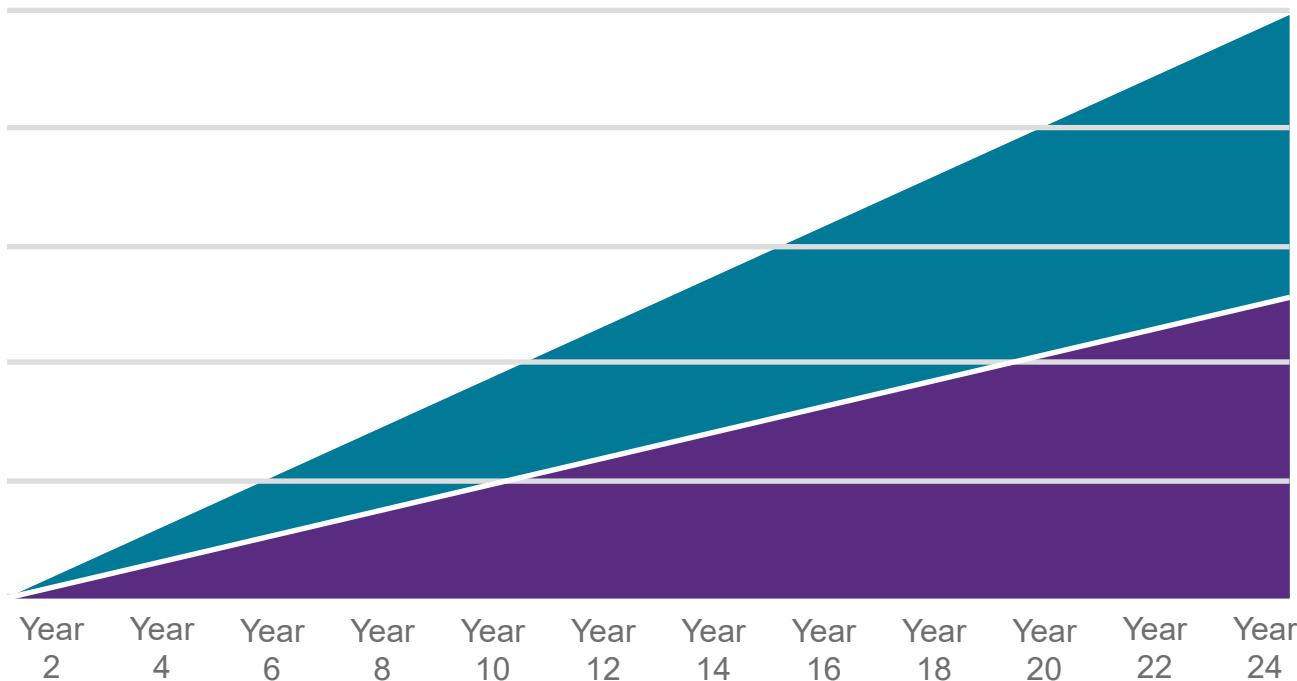
HSAs are never taxed at a federal income tax level when used appropriately for qualified medical expenses. Also, most states recognize HSA funds as tax-deductible with very few exceptions. Please consult a tax advisor regarding your state's specific rules.



# INVESTING HSA FUNDS CAN PRODUCE UP TO 90% MORE QME\* FUNDS AT RETIREMENT



\* QME stands for Qualified Medical Expenses identified in IRS Pub. 502 and the Cares Act of 2020. [J]. Note: The example used is for illustrative purposes only. The example assumes the accountholder is: (1) saving and not spending the monthly contribution of \$416.67 (\$5,000 per year) (2) continuously investing the balance and the minimum investment threshold is met (3) that the chosen investments produce an average 6% return annually (4) pre-retirement all-in income taxes assumed to be 30% (5) post-retirement income tax assumed to be 20% with no assumed payroll taxes. | Investments are subject to risk, including the possible loss of the principal invested, and are not FDIC or NCUA insured, or guaranteed by HealthEquity, Inc. Investing through the HealthEquity investment platform is subject to the terms and conditions of the Health Savings Account Custodial Agreement and any applicable investment supplement. Investing may not be suitable for everyone and before making any investments, review the fund's prospectus.



**\$100,000**

**Investing**

\$2,000 yearly

24 years

6% rate of return

**\$50,000**

**Savings**

\$2,000 yearly

24 years

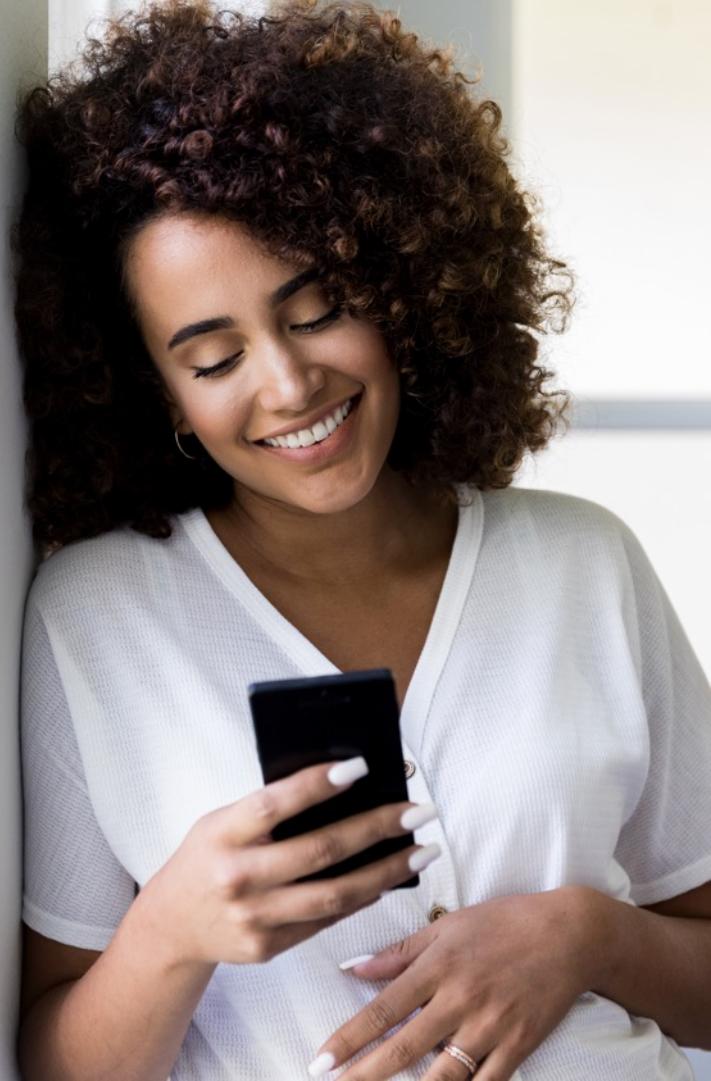
.05% rate of return

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# Easily calculate your savings goal

[HealthEquity.com/  
calculator/future-balance](https://HealthEquity.com/calculator/future-balance)

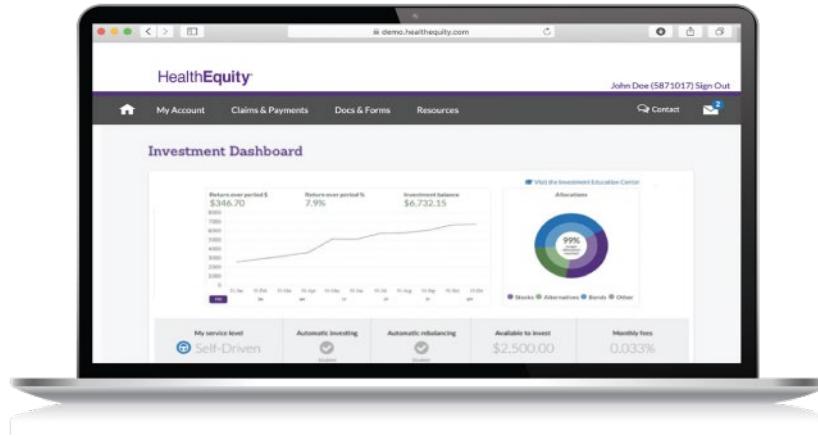


# HSA investing

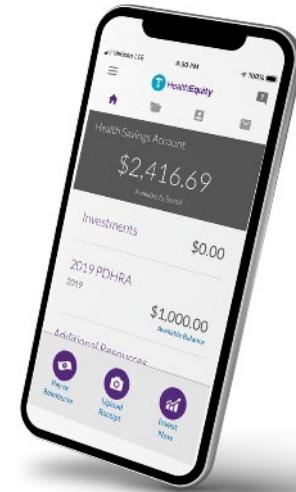
Meet the minimum threshold



# Our technology makes investing easy

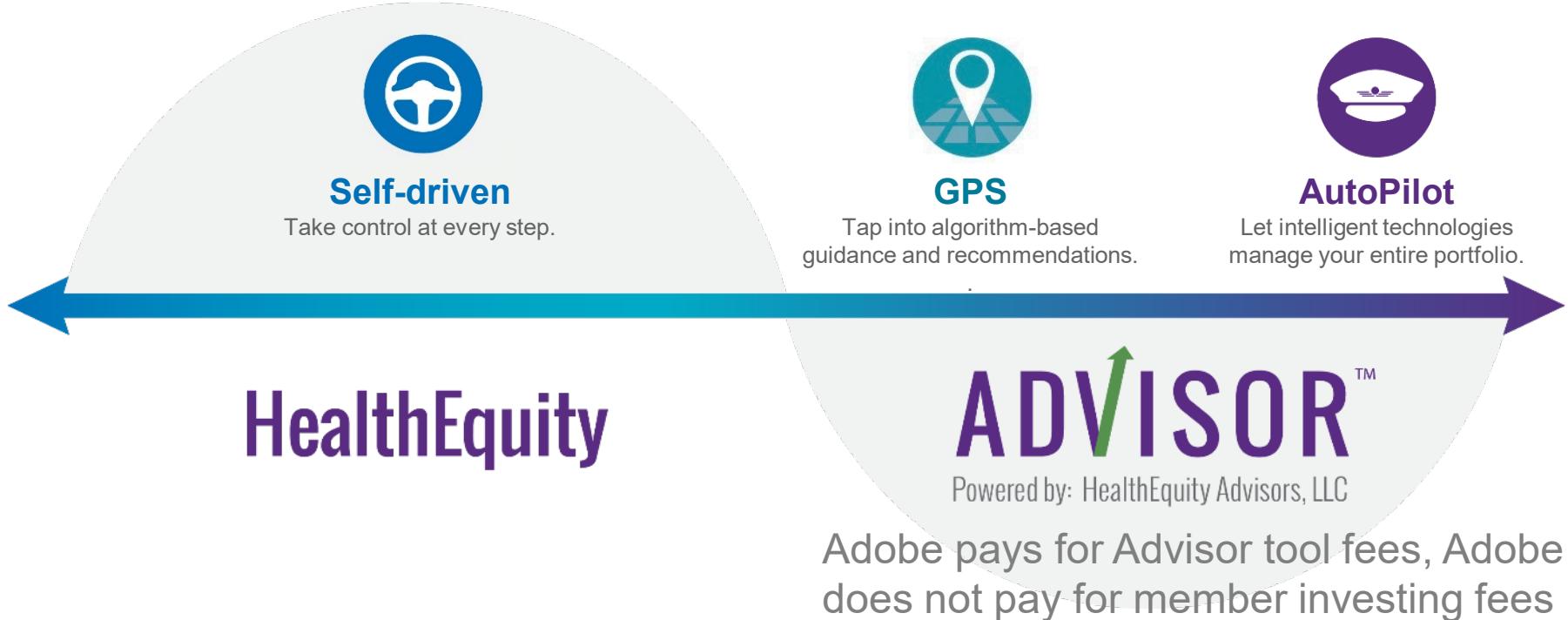


Investment Desktop



Mobile App

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How will you connect  
health and wealth this year?



HSA your way!

# Save by spending on eligible expenses



## Medical care

- Doctor visits and copays
- Hospital services
- Prescriptions



## Vision

- Eye exams
- Prescription glasses/contacts
- Lasik surgery



## Dental

- Teeth cleaning
- Dental reconstruction
- Orthodontia



## Personal health

- OTC pain relievers
- Feminine care products
- Personal protective equipment\*



## Alternative care

- Chiropractic care
- Acupuncture
- Massage\*

\*May require letter of medical necessity

\*If used for the primary purpose of preventing spread of COVID-19

[Learn.HealthEquity.com/QME](https://Learn.HealthEquity.com/QME)

# Questions?

We're here for you 24/7

866.735.8195

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