



Tax-Advantaged Benefit Accounts

Don't leave money on the table – save 30% on healthcare expenses

No matter what health plan option you choose, chances are you will incur out-of-pocket costs this plan year – in the form of deductibles, copays, coinsurance, etc.

If you plan on spending even a dollar out of pocket for healthcare expenses, a tax-advantaged benefit account will save you an average of 30%.

Tax-advantaged benefit accounts – such as flexible spending accounts (FSAs), health savings accounts (HSAs), and health reimbursement arrangements (HRAs) – allow you to use pre-tax dollars to pay for expenses not covered by your health plan.

How can tax-advantaged benefit accounts help you?



Help you save money.

These accounts let you set aside money, pre-tax, to pay for common healthcare expenses. By using pre-tax funds, you reduce your taxable income, which means you get to keep more of your hard-earned dollars.



Help you stay healthy.

These accounts let you set aside funds for preventative, routine, and unexpected care for not only you but also your family – making it easy to take care of health and wellness needs.



Help you achieve financial goals.

Growing healthcare costs is a major concern for most people today. These accounts help you manage and prepare for expected, as well as unexpected, out-of-pocket healthcare expenses – both now and in the future.

Choosing the right account

Picking the account that's right for you depends on the health plan you enroll in and the account features that are important to you.

Here are some key things you should know about the various account types:

	FSA	HSA	HRA
Who can contribute to your account – you or your employer?	Either	Either	Your Employer
Who owns the money – you or your employer?	Your Employer	You	Your Employer
Can you carry over unused funds from year to year?	Rarely	Yes	Sometimes
Can you keep the funds if you leave the company?	No	Yes	No
Can you invest the funds for growth (like a 401k)?	No	Yes	No
Can you change your election at any time during the year?	No	Yes	N/A

How much should you be saving for healthcare?

2018
annual
limits:



Planning for healthcare costs is not an easy task. Consider these 10 tips when reviewing your benefit account options and determining how much to contribute to your account.

1. **Know your health insurance coverage.** Every health plan will have out-of-pocket costs in the form of deductibles, copays, and coinsurance, and each account will have a maximum contribution limit to keep in mind.
2. **Use your premium savings.** If you choose an HSA eligible health plan that offers lower premiums – consider putting some, or all, of those savings into your HSA.
3. **Know your account options.** Ask these important questions:
 - What is your contribution limit?
 - Is your employer contributing to the account?
 - Can you take the account with you if you leave the company?
 - Do unused dollars at the end of the year roll over, or do you lose them?
4. **Consider your budget and financial goals.** Ensure your contributions fit into your overall personal finances.
5. **Think about your typical healthcare utilization.** Ask yourself how many office visits, prescriptions, specialists, labs, and other procedures you're likely to need.
6. **Factor in major purchases.** Look up average costs for any major planned treatments or procedures.
7. **Look back at prior years.** Your prior year spending may give you a hint as to how much you are likely to spend this year.
8. **Think about the future.** Think beyond the plan year – healthcare will continue to be a significant expense, even in retirement. It's never too early to save for the future.
9. **Build in a buffer.** Life happens – build in contingency funds for the unexpected.
10. **Familiarize yourself with eligible expenses.** Don't leave money on the table because you didn't realize certain expenses were eligible.

**Don't overpay for healthcare.
Enroll in a tax-advantaged benefit account.**

Talk to your employer about the options available to you.

