



An educated choice

HEALTH SAVINGS ACCOUNT (HSA)

A Tax Advantage to Offset Health Care Expenses

A Health Savings Account (HSA) is a tax favored savings arrangement for individuals covered by a High Deductible Health Plan (HDHP). With HDHP coverage, an individual must pay for a certain amount of medical expenses before the HDHP begins to pay any medical expense. In exchange for paying a certain amount upfront, individuals enjoy less expensive insurance premiums. Individuals can use the money they save in an HSA to pay for medical expenses incurred by themselves, their spouses, or their dependents.

Who is eligible for an HSA?

You are eligible for any month if you:

- are covered under an HDHP on the first day of such month
- are not also covered by any other health plan that is not an HDHP (with limited exceptions)
- are not enrolled in Medicare
- are not eligible to be claimed as a dependent on another person's tax return.

What are the benefits of an HSA?

- There are NO FEES
- TVTFCU offers you FREE checks for ease of payments
- Your contributions are tax-deductible
- HSA contributions made by your employer is excluded from your income
- HSA earnings are tax-deferred
- If used for qualified medical expenses, HSA assets are tax-free
- Members may use their HSA assets for retirement with restrictions
- HSA assets become the property of a named beneficiary or of the HSA owner's estate upon an HSA owner's death

Contact a Member Service Representative at 860-253-4780 or 800-749-8305 for more information.



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