



Health Savings Account

Health Equity



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A Health Savings Account (HSA) paired with our qualified high deductible health plan helps you and your family plan, save and pay for qualified health care expenses. An HSA empowers you to build savings for health care expenses in a tax advantaged account.

Advantages of Health Savings Accounts

A Health Savings Account (HSA) is a tax advantaged savings account that you own and control. Here are some of the benefits:

- › Funds roll over from year-to-year and never expire
- › Portable when you move jobs or retire
- › Triple tax advantage: you won't pay taxes on contributions, distributions, or earnings
- › Able to invest your funds to grow your money tax-free
- › Contribution elections can be changed mid-year without a life event

Who Is Eligible?

You must be enrolled in our qualified high deductible health plan and meet the following requirements:

- › Have no other health insurance coverage except what's permitted by the IRS
- › Not be enrolled in Medicare
- › Not be claimed as a dependent on someone else's tax return

How Much Can I Contribute to an HSA?

Each year the IRS establishes the maximum contribution limit. The chart below represents the limits for 2024. These limits are for the total funds contributed, including company contributions, your contributions and any other contributions. Please keep in mind you can change your HSA allocation at any time during the plan year.

IRS Contribution Limits

	2024
Single	\$4,150
Family	\$8,300

At age 55, an additional \$1,000 contribution is allowed annually

CCSD Employer Contributions

\$50/month, \$600/year



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What Is A Qualified Health Care Expense?

You can use money in your HSA to pay for any qualified health care expenses for you, your spouse and your tax dependents, even if they are not covered on your plan. Examples of qualified health care expenses include: your insurance plan deductibles, copayments, and coinsurance; doctor's office visits; prescriptions; dental treatments and x-rays; and eyeglasses and vision exams. You can use money in your HSA to pay for any qualified health care expenses you, your legal spouse and your tax dependents incur, even if they are not covered on your plan. Qualified health care expenses are designated by the IRS (Publication 502). They include medical, dental, vision and prescription expenses not covered by the insurance carrier.

Important

Any funds you withdraw for non-qualified expenses will be taxed at your income tax rate plus a 20% tax penalty if you're under age 65. After age 65, you pay taxes but no penalty.

Documentation is Key

An HSA can be used for a wide range of health care services within the limits established by law. Be sure you understand what expenses are HSA qualified, and be able to produce receipts for those items or services that you purchase with your HSA. You must keep records sufficient to show that:

- › The distributions were exclusively to pay or reimburse qualified medical expenses,
- › The qualified expenses had not been previously paid or reimbursed from another source, and
- › The qualified expense had not been taken as an itemized deduction in any year. Do not send these records with your tax return. Keep them with your tax records.

