

Feeling the squeeze? Save and spend smarter!

Costs are up across the board, including the cost of health care. Are you and your loved ones feeling the strain? Here's an idea that could help: Save and spend smarter with your health savings account (HSA).

**JUST
ONE
STEP**

With Just One Step, you can learn about simple steps — that cost nothing — to build your whole-self wellness, whether that's physical, emotional or financial. This month, take Just One Step to managing your health care expenses. Open — and make the most of — your Health Savings Account.

Don't worry. Be healthy!

Eileen Dennie calls her health savings account (HSA) a “life-saver.” The THG internal communications manager and her husband, David, have been using an HSA to save for their family health care expenses since 2005.

“Whenever we have medical bills, we don't worry, because we already have money put aside,” Eileen said. “We save on taxes, too.”

What's the best thing about an HSA?
“Saving money,” Eileen said. “Most of our health expenses aren't ‘nice to have’; they're medically necessary. If we hadn't planned for those things and used our HSA, we would have paid a lot more.”



Look inside. Learn how you can save money with a health savings account



Health care savings to the max!

If you aren't using your HSA, you're leaving money on the table in the form of generous, tax-free company contributions. Read on for inspiration on how you can take Just One Step toward financial peace of mind.

Here's how Eileen's family has used their HSA:

- Prescription medications
- Health insurance deductibles
- Braces
- Major surgery
- Dental visits
- Knee replacement
- Vitamins



Remember, a health savings account (HSA) is an account you can use to pay for health-related expenses. It's designed to go hand-in-hand with a high deductible health plan (like ours), and it could save you hundreds of dollars on health care expenses each year. Here's how an HSA works:



You choose how much money to contribute (pre-tax) via payroll deduction.



Your employer makes an additional before-tax contribution to your account: up to \$1,200 per year depending on your health care coverage level.



The money in your HSA grows income tax-free, and when you use it to pay for qualified medical, dental and vision expenses, it comes out of your account income tax-free.



Your HSA becomes a nest egg you can use to pay for future health-related expenses.

Already saving in your HSA?

Take it to the next level. If you have a minimum balance of \$2,000, you can invest a portion of your HSA balance in mutual funds. Login to your Empower Retirement account and visit the HSA page to get started.

Five benefits of HSAs

1. You own the savings account.
2. Your HSA earns interest from day one, and you choose how to use it — provided it's a qualified medical, dental or vision expense.
3. It's portable — the funds are yours if you change employers.
4. Funds build over time.
5. You can use it to pay for future eligible expenses tax-free.

Use your HSA card to pay for qualified expenses **or** save receipts and submit claims for reimbursements



Why not save?

Get the facts.

I'm afraid I can't afford it.

The company's contribution to your HSA is free money! Add your own contributions through payroll deduction to make your health care costs even more affordable. If your financial situation changes, you can change or stop your contributions by contacting HR Shared Services at 1-800-303-0408.

It's confusing. I can't figure out what to save.

Help is available! Use the worksheet on the back of this flier, or scan the code below to access the **Health Plan Cost Estimator**, to determine the savings amount that's right for you.



NEW! You can get help choosing your health plan and optimizing your HSA contribution level with our new **Health Plan Cost Estimator**. Customized with our plan details and your specific situation, you'll be able to make decisions with confidence:

- Easy – the estimator calculates everything for you
- Flexible – you choose the level of detail and analysis you want
- Convenient – just gather your known and anticipated health expenses and visit <https://www.MedPlanCompare.com/THG>



I'm worried I'll lose the money if I don't use it.

With an HSA, the money you don't use rolls over to the next year — and stays with you even if you decide to change jobs.

"Qualified expenses" sounds complicated.

It's not! "Qualified" refers to the types of medical, dental and vision expenses for which the IRS allows you to use your HSA. The list includes several over-the-counter products. Scan here to see what qualifies.



Why do I need it? I already have insurance.

The funds in your HSA can help you cover deductibles and out-of-pocket, health-related expenses that insurance doesn't.

I don't have many medical expenses.. Why do it?

When you do save, you'll have money on hand for a medical, dental or vision expense now or after you retire.

What's the deal with taxes? I don't get it.

Your HSA contributions and the company's contributions are tax free. Taxes are withheld from your paycheck, but if you contribute to your HSA:

1. Your HSA contributions reduce your taxable income so you pay less income tax.
2. The money in the HSA earns tax-free interest.
3. Withdrawals can be used, tax-free, for eligible expenses.



Smart planning, smart saving

Take care of yourself and your loved ones by thinking ahead and saving what you need — tax-free. You can indicate how much you'd like to set aside during 2023 Open Enrollment (October 31 - November 11). Bear in mind that your total HSA contribution limits are set by the Internal Revenue Service. Use this page to sketch out your plan.

2023 IRS-mandated HSA Contribution Limits



\$3,850 *
Individual



\$7,750 *
Family

If you are age 55 or older, you can contribute another \$1,000 in catch-up contributions.

Planning Checklist

Decide how much you want to deduct from your paycheck. For more help, check out the **Health Plan Cost Estimator** at <https://www.MedPlanCompare.com/THG>. Consider:



Possible Expenses

- Deductibles
- Dental visits (exams, cleaning, orthodontia, emergencies)
- Vision exams (contacts, frames, surgery)
- Hearing aids (batteries)
- Physical therapy
- Counseling
- Prescription medications
- Elective surgeries
- Emergencies
- Chronic conditions



What were your health-related expenses last year?

What expenses do you expect this year?

What amount should you save to cover them?

How much can you afford to contribute from each paycheck?

Watch your mailbox all year for helpful information on other topics that matter to you.

