

Health Savings Account

With the rising cost of health care, tax-advantaged plans such as Health Savings Accounts (HSAs) are a great way to help keep coverage affordable without sacrificing quality of care.

With the tax benefit of an HSA, if employers choose to contribute to their employees' accounts, those funds are actually worth more to an employee than a raise or bonus of the same amount. Additionally, with no "use it or lose it" stipulation on this reimbursement account, HSAs are an excellent means for employees to put money away for extra savings year after year.

HSAs also offer the flexibility to maximize the savings for both you and your employees by offering them in combination with certain Flexible Spending Account (FSA) and Health Reimbursement Account (HRA) options. With Lifetime Benefit Solutions (LBS), members can manage any eligible combination of our reimbursement accounts using a single integrated, convenient online portal.

What is an HSA?

An HSA is a tax-advantaged savings account that is used in combination with a High Deductible Health Plan (HDHP), offering employees a new way to manage their health care. Members are able to use the HSA funds to cover qualified medical expenses that are not covered by their HDHP, including expenses that go towards satisfying the plan's deductible.

The only reimbursement account that offers a triple tax benefit

1

Federal tax deductions on employee contributions

LBS takes care of deducting the correct pre-tax amount from every paycheck based on each employee's individual election amounts. By decreasing their pre-tax income amount, employees' federal income taxes will decrease as well. What's more, when their federal income taxes decrease, your organization's payroll-related taxes will decrease.

2

Tax-free growth on invested funds

Any interest earned on an HSA is able to grow tax-free. HSA funds can also be invested to help maximize growth on the account. No matter how much an HSA increases in value over time, the additional earnings will not be subject to tax.

3

Tax-free withdrawals for qualified medical expenses

When a member takes distributions from an HSA, they won't pay any taxes as long as they are being used on eligible expenses as defined by the Internal Revenue Service (IRS).





Experience the difference with Lifetime Benefit Solutions

By partnering with LBS, you and your employees will enjoy:

- A comprehensive, integrated platform
- Automated scheduling of contributions based on your timing preference, allowing for easy mid-year enrollments (when applicable)
- 24/7 access to account information at your fingertips through web-and mobile-based portals
- A virtually paper-free administrative process with automated email alerts and monthly account summaries available online
- Quick and easy access to all account funds in one place through online distribution requests or the use of a convenient debit card



An easier way for members to use their HSA

LBS saves members the time and hassle of questioning what items are eligible by providing access to HSA Store, where they can shop the largest selection of HSA-eligible products available online with their LBS Health Spending Card. Funds are deducted directly from their account, and there is no need to save receipts of items purchased. Furthermore, members will skip the trip to the store and enjoy the added convenience of having eligible items delivered right to their door.

Take the first step toward savings. Contact your broker or dedicated LBS Account Manager today.

LifetimeBenefitSolutions.com

HSAs are a benefit for your employees and your business

EMPLOYEE BENEFITS

Payroll-based deductions provide members with an easy, convenient way to fund their accounts

Triple tax savings – decreased federal income taxes, interest and investments that grow tax-free, and tax-free withdrawals on eligible medical expenses

Plan for future health care expenses even into retirement with tax-free investment accounts that grow year after year

Once the money is deposited into the members account, it is theirs to save, use, or invest – the funds never expire, and the money can even be passed on to designated beneficiaries upon death

Use it as another vehicle for retirement savings – members can use HSA funds for non-qualifying expenses after age 65

EMPLOYER BENEFITS

Add depth and flexibility to your employee health benefits and retirement plans that are attractive to talented job candidates

Savings on payroll-related taxes that are directly related to the decreased federal income tax of employees

Flexible options to contribute to member accounts – employers can choose to contribute the full annual limit amount, a portion, or keep it fully employee-funded

Decreased expenses for the organization through the cost-sharing benefits and lower premiums of a HDHP

Promote healthier overall lifestyle choices with increased employee engagement regarding their health care behavior and spending

