Health savings account (HSA) user guide

Welcome

Welcome to your Optum Bank® health savings account (HSA). Explore all the ways we're making it easy for you to get the most out of your HSA. Here, you'll find out how to use your account. Plus, you can get information about our helpful online tools and resources.

Looking for more details? Visit **optumbank.com.**

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Getting started with Optum Bank, Member FDIC

Considering an HSA? It can be a great part of planning ahead for the future. If you're enrolled in a qualifying high-deductible health plan (HDHP), your HSA can help you and your family plan, save and pay for health care. Becoming familiar with how your HSA works is key to getting the most out of it.

If you're a new account holder, you may want to explore this guide to help familiarize yourself with your HSA. Then, file this guide with your banking information and return to it when you need, like during benefits enrollment period or tax season.

Manage your HSA online at optumbank.com.

- Make deposits.
- Download account forms.
- Check monthly statements.
- Manage your investment activity.
- Update your email address or change your mailing address.
- Pay bills to physicians, dentists or other health care providers.
- Reimburse yourself for qualified medical expenses that you paid for out-of-pocket.
- Use the contribution tracker to see how much you've contributed to your HSA year-to-date and how much more can be contributed according to your plan coverage (individual or family).

Explore online resources to help you maximize your HSA benefits.

- Find information on taxes.
- Check out HSA calculators.
- Explore information on managing your account.
- Get information about high-deductible health plans.
- Use the Health Savings Checkup to help plan for retirement.

Decide

Are you prepared for your future?

If you haven't thought about what health care will cost when you retire, take a few minutes today to find out. Use the Health Savings Checkup tool to see your estimated health care costs during retirement. It's just four easy steps online.

Go to **healthsavingscheckup.com.**

Investments are not FDIC insured, are not guaranteed by Optum Bank®, and may lose value.

New account holder checklist

Use this list to make sure you've taken all the first steps to opening and funding your HSA.

- [x] Open your account.
- [ ] Record your account number and file it in a safe place.
- [ ] Register online at **optumbank.com** for online banking. Add your banking information to deposit funds into your HSA or to get distributions out of your HSA.
- [ ] Designate a beneficiary for your account. Log into your account and choose "Manage your profile" to do this.
- [ ] Sign up for payroll deduction into your HSA, if it's available at your place of work.
- [ ] Start saving so you can pay for, or be reimbursed for, qualified medical expenses.
- [ ] Activate your Optum Bank debit Mastercard®.
- [ ] Review your account fee schedule and privacy notice included in your welcome kit.
- [ ] Become familiar with qualified medical expenses.
- [ ] Review how to use **optumbank.com** to pay bills online or be reimbursed for qualified expenses paid out-of-pocket.
- [ ] Save all receipts for qualified medical expenses.
- [ ] Download the Optum Bank mobile app.

Questions?

Call customer service at the phone number located on the back of your debit card. Assistance for most foreign-language speakers is also available.

If you call before or after business hours, our phone service includes many automated options, including:

- Instructions for transferring funds by wire
- Information about managing investments
- Account balance and the last five transactions
- Directions to activate your debit card, or report a lost or stolen card

Please note that customer service representatives do not have access to information or data about your HSA-qualifying health plan or claims. Please contact your health plan for that information.

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Benefits of HSAs

HSAs offer income-tax savings:*

- The money you put in is tax deductible, up to the IRS established limits.
- Your savings grow tax-free.
- Any money you take out to pay for qualified medical expenses is income-tax-free.

An HSA is like no other savings vehicle now available to taxpayers.

The money in your HSA is always yours.

There is no "use it or lose it" rule. All amounts in your HSA are fully vested, and unspent balances in accounts remain there until spent. Your account is portable, too, meaning your money stays put even if you:

- Change jobs
- Change medical coverage
- Become unemployed
- Move to another state
- Get married or divorced

With an HSA, you are in charge.

You decide:

- How much you will contribute to your account, up to the allowable annual IRS limit
- When you want to use your savings to pay for, or be reimbursed for, qualified medical expenses
- What bank will administer your account
- Whether or not to invest some of your savings in mutual funds for greater potential long-term growth

Don't forget:

- Keep all medical receipts. You can save paper copies or store them online. You can upload receipts through the Optum Bank mobile app, or you can upload images of receipts to your account online.
- Track your health care expenses with the expense tracker worksheet on **optumbank.com** or your own money management software.
- Retain all tax documents you receive from Optum Bank for filing your tax returns and maintaining your records.

*State tax treatment of HSAs varies. Go to **optumbank.com** or consult your state's department of revenue to find out more.

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Eligibility

If you have a qualifying high-deductible health plan (HDHP) on the first day of any month, you may be eligible to contribute to an HSA if:

- You are not covered by any other non-HDHP health plan, such as a spouse's plan, that provides any benefits covered by your HDHP plan. Exceptions may include permissible coverage, such as specific injury insurance or accident, disability, dental, vision or long-term care insurance.
- You are not enrolled in Medicare.
- You do not receive health benefits under TRICARE.
- You have not received Veterans Administration (VA) benefits within the past three months, except for preventive care. If you are a veteran with a disability rating from the VA, this exclusion does not apply.
- You cannot be claimed as a dependent on another person's tax return.
- You are not covered by a general purpose health care flexible spending arrangement (FSA) or health reimbursement arrangement (HRA). Alternative plan designs, such as a limited-purpose FSA or HRA, might be permitted.

If your circumstances change and you are no longer eligible to contribute to an HSA, you can keep the account as long as you like and use it to pay for qualified medical expenses income-tax-free. Other IRS restrictions and exceptions may also apply. We recommend that you consult a tax, legal or financial advisor to discuss your personal circumstances.

High-deductible health plans

In order to open and contribute to an HSA, you must have an IRS qualifying high-deductible health plan.

The HSA is designed to work with your health plan to protect you and your family. Here's how a high-deductible plan works:

You are responsible for paying your covered medical expenses up to the deductible(s) stated in your health plan.

Your deductible is the maximum amount that you must pay toward your health care before benefits are paid by your plan. Most plans will have different coinsurance levels for expenses incurred in-network and out-of-network.

You can, if you choose, use HSA funds to pay for your out-of-pocket expenses.

Or, you can reimburse yourself for those expenses sometime later. Be careful to save all receipts! You are responsible for being able to prove, if questioned by the IRS, that you used your HSA only for qualified medical expenses.

After you meet your annual deductible, you are responsible only for a portion of your medical expenses as outlined in your medical plan.

Remember: Premiums for high-deductible health plans are often lower than premiums for other types of non-high-deductible health plans. Many HSA account holders choose to put their premium savings directly into their HSAs to save for the future.

Opening and funding your HSA

To start saving in an HSA, you must first enroll in a qualifying high-deductible health plan (HDHP) and open an HSA with Optum Bank. The best way to save is to make a plan — and stick to it.

Opening an account

- Go to **optumbank.com** and follow the directions to open an account. Have your high-deductible health plan information handy.
- If you are opening an Optum Bank HSA at work, your employer may arrange to help you open an account. Please check with your employer to find out if this is the case.

In both cases, a welcome kit will be sent to you within 10 business days of the account opening. You also have the option to access the welcome kit online.

Note: Open your HSA as soon as you're eligible. That way, you can use your HSA to pay or reimburse yourself for qualified medical expenses. You cannot use your HSA to reimburse yourself for medical expenses you had before your account is established.

Funding your account

Once your account is established, you will be able to sign in to your HSA at **optumbank.com** or **myuhc.com®** and arrange to make a deposit to your HSA from another bank account, such as a savings or checking account, one time or on a recurring basis.

You can mail a check with a contribution/deposit form available at **optumbank.com.** Follow the instructions on the form.

Note: Funds are not available until they are posted to your HSA.

IRA and HSA rollovers

You can make a one-time distribution from your traditional IRA or Roth IRA to your HSA. You must direct your IRA trustee to make the distribution directly into your HSA. The amount cannot exceed how much you are eligible to contribute to an HSA for the tax year.

Note: The distribution from your IRA is not included in your income, is not deductible and reduces the amount that can be contributed to your HSA.

You can roll over amounts from Archer medical savings accounts (MSAs) and other HSAs into an HSA. You must roll over the amount within 60 days after the date of receipt. You can make only one rollover contribution to an HSA during a one-year period. Rollovers are not subject to the annual contribution limits.

You can also direct an HSA custodian/administrator to transfer funds directly into another HSA. Such a transfer is not considered a rollover, and there is no limit on the number of such transfers. You do not include the amount transferred in your income for tax purposes, deduct it as a contribution or include it as a distribution from the account.

Need a Rollover/Transfer Request form? Visit **optumbank.com.**

Employer contributions

If your employer contributes to your HSA, find out when they will make the first deposit and what schedule it will follow. If your employer offers payroll deduction, you may elect to have an amount deducted pre-tax from your paycheck and deposited directly into your HSA. This contribution will be made before Social Security, federal and most state income taxes are deducted.

Who can contribute

You

When you contribute money to your HSA, it is generally not taxable. You can contribute by having a certain amount deducted regularly from your paycheck, if your employer offers this convenience. Or, you can make your own deposits and write off your allowable HSA contribution on your personal income tax return as an "above-the-line" deduction.

Your employer

Your employer can also contribute to your HSA, and those funds belong to you as soon as they are posted, even if you change jobs or are laid off. Be sure to subtract your employer's contribution from the annual contribution limits to figure out how much you or others can deposit.

Keep in mind that if your employer contributes to your account, your employer determines how often to contribute — yearly, monthly or weekly. Check to see what your employer's contribution schedule will be.

Other people

Friends, family members or anyone can contribute to your HSA, on your behalf. If a family member or friend makes a contribution to your HSA, you may deduct the contribution amount when filing your annual income taxes, just as if you had deposited the post-tax contribution on your own.

The contributor should write a check payable to you, the HSA account holder. Simply fill out a Contribution/Deposit form (available at **optumbank.com**). Then, attach the check to the form and mail it according to instructions on the form.

Contribution limits

There are limits, set by law and adjusted annually, for how much you can contribute tax-free to an HSA in a calendar year.

Contribution limits

Year	Individual coverage	Family coverage
2020	$3,550	$7,100
2021	$3,600	$7,200

Note: the tax-free contribution limits include any employer contributions to your HSA.

If you are 55 or older, you can make "catch-up" contributions, meaning you can deposit an additional $1,000. If your spouse is also 55 or older, he or she may establish a separate HSA and make a "catch-up" contribution to that account.

Keep in mind that you can contribute up to the maximum allowed for the year at any time up until the tax-filing deadline (generally April 15) of the following year.

Contribution tracker

Even though anyone can contribute to your HSA, it is up to you to make sure that you don't exceed the IRS HSA contribution limits. Optum Bank's HSA contribution tracker is a handy online tool that can help you do just that. The contribution tracker shows how much you have contributed to your HSA year-to-date, and calculates how much more could be contributed according to your plan coverage (individual or family). You can find the contribution tracker readily accessible on the "HSA Dashboard" once you sign in to your account.

Pro-rated contributions

A job change or other life event may lead you to end your coverage in an HSA-qualifying health plan at some time during a normal 12-month benefits period. In that case, you would need to calculate a pro-rated contribution amount based on your actual months of high-deductible plan coverage.

If your contributions exceed that amount, you can have excess contributions returned to you. You can download an Excess Contribution and Deposit Request form from **optumbank.com.**

For example:

- Your employer's plan year is Jan. 1 to Dec. 31 (12 months).
- You maintain high-deductible health plan coverage for your family for six months (January through June).
- The IRS maximum contribution limit for family coverage in 2021 is $7,200.
- Your maximum contribution would be $3,600 [$7,200/12 = $600 (maximum monthly contribution); $600 x 6 = $3,600].

If you are 55 or older, catch-up contributions must also be pro-rated using the same formula.

Mid-year plan enrollment

If you enroll in an HSA-qualifying health plan before the first day of December of any year, you are eligible to make the entire year's tax-free contribution to your HSA. To do so, you must also continue to participate in a high-deductible health plan for the rest of the year and the entire following year. During this time, you cannot have other health care coverage that would make you ineligible to contribute to an HSA.

Designating a beneficiary

When you set up an HSA, it is important that you also select a beneficiary. This will ensure that your HSA money is immediately available to your beneficiary upon your death. You may select more than one beneficiary and assign the portion of your account that would go to each.

What if you don't select a beneficiary?

If you do not specify a beneficiary and you are married, your HSA becomes your spouse's HSA. If you are not married at the time of your death, the funds will go to your estate and the funds may be subject to taxation.

How do you designate your beneficiary?

Sign in to your HSA and select "Manage Beneficiaries" from the "I want to..." section.

FAQs

What if my total HSA contribution for the year exceeds the IRS limits?

Your excess contributions are subject to standard income tax rates plus a 6 percent penalty. You can complete and mail or fax a withdrawal/distribution form, available at optumbank.com. If you request a refund, there is no penalty as long as the distribution is made before the tax-filing deadline, generally April 15. Earnings on the excess amount are taxable, but the 6 percent excise tax will not apply as long as the excess contributions and earnings are paid out before the tax-filing deadline.

What if I have more than one HSA?

You may contribute to all of them, but the total contributions to your accounts cannot exceed the annual maximum contribution limit. Contributions from your employer, family members or any other person must be included in the total.

What if I contributed the maximum annual amount, but I was not covered by an HSA-qualifying health plan for an entire year?

You are only eligible to contribute to your HSA for the time you were covered by a high-deductible health plan. You can figure that out by pro-rating your maximum contribution — for individual or family coverage — for the part of the year you were covered by a high-deductible plan. You can arrange to withdraw your excess contribution, as described above.

What if my spouse and I are covered by different health plans?

Your contribution limits are generally determined by the type of high-deductible health plan you have — single or family. Consult a tax advisor regarding your personal situation. You can find out more by visiting **IRS.gov.**

Using your HSA

Your HSA dollars are available not only to you, but also to your spouse and eligible dependents, even if they're not covered by your high-deductible health plan. You can use your HSA funds to pay for qualified medical expenses. Learn more in this section about what qualifies, how much you should contribute as well as how to reimburse yourself for out-of-pocket expenses, and more.

Qualified medical expenses

Expenses that qualify for payment or reimbursement from your HSA tax-free are defined by federal regulation. The following is a short list of some products and services in this category:

- Doctor office visits
- Dental care, including extractions and braces
- Vision care, including contact lenses, prescription sunglasses, even LASIK surgery
- Prescription medications, as well as certain over-the-counter drugs and medications
- Chiropractic and acupuncture services
- Hearing aids (and the batteries, too)

The list of "qualified medical expenses" is defined by the IRS, and it includes a wide range of dental, vision and medical expenses. You can use the qualified medical expense tool at **optumbank.com/qualifiedexpenses** to get up to speed on what qualifies. With the search tool you can filter by account type and expense type to find out what is considered a qualified medical expense by the IRS. You can also find a full list at **irs.gov**.

Other HSA-qualified expenses

Generally, you cannot use your HSA to pay for health insurance premiums, but there are exceptions. You may use your HSA to pay for:

- Any health plan coverage while receiving federal or state unemployment benefits
- COBRA continuation coverage after leaving employment with a company that offers health insurance coverage
- Eligible long-term care insurance
- Medicare premiums and out-of-pocket expenses, including deductibles, copays and coinsurance for:
  - Part A (hospital and inpatient services)
  - Part B (physician and outpatient services)
  - Part D (prescription drugs)

Note: this does not include premiums for a Medicare supplemental policy, such as Medigap.

Spouse, domestic partner and dependent health care

If you are married, you and your spouse may be covered by different health plans. You may have a domestic partner. If you have children, they may be covered under your plan or your spouse's plan. You may have adult children who are covered by your health plan, as is now allowed until those children reach age 26.

Family situations can vary. Generally, contribution limits to an HSA are determined by the type of coverage — individual or family. Even if your spouse or dependents are not covered by your high-deductible health plan, you may use your HSA dollars to pay for qualified medical expenses for them.

If you have adult children covered under your health plan, you may not use your HSA to pay or reimburse yourself for their qualified medical expenses if they are not your tax dependents. However, those children may be able to open their own HSAs and contribute up to the limit dictated by the type of health plan they are covered under — individual or family.

HSA contribution guidance for domestic partners is different, too. Generally, if domestic partners are both covered by a family health plan and one is a tax dependent of the other, the partner carrying the coverage can open and fund an HSA up to the family contribution limit and pay the partner's qualified medical expenses from the account income-tax-free.

In another scenario, domestic partners may be covered under a family plan, but neither is a tax dependent of the other. In that case, each partner may open an HSA, and each may deposit up to the family contribution limit.

Visit **IRS.gov** or **treasury.gov** for answers to frequently asked questions on these topics. Consult your tax advisor for guidance on your specific situation.

Limited-purpose flexible spending account (FSA)

You are not eligible to deposit money into an HSA if you are depositing money into a health care FSA in a tax year. You may, however, be able to open what's called a limited-purpose FSA through your employer's benefits plan.

A limited-purpose FSA can be used to pay for eligible dental and vision expenses that you may have. The "use it or lose it" rule also applies to limited-purpose FSAs, so you should estimate your expenses carefully before electing how much to save in such an account.

Optum Bank debit Mastercard®

Be sure to activate your Optum Bank debit Mastercard® so you can start using it for your qualified medical expenses.

You can use your debit card for direct payment at a doctor's office, pharmacy or any health care facility that accepts Mastercard®. In most cases, the card can also be used to pay a bill from a doctor's office or health care facility, provided they accept Mastercard®.

With your PIN, you can use your debit card to withdraw funds at any ATM displaying the Mastercard® brand name.* So, for example, if you go to the doctor and pay for your services out of your own pocket, you can then withdraw money at the ATM to reimburse yourself.

If you would like an additional debit card, you can sign in to your account at **optumbank.com** or **myuhc.com®** and order one online.

Remember that your Optum Bank debit Mastercard® acts like any other debit card and could incur charges not made by you. Protect yourself against fraudulent charges by routinely checking your HSA statement.

FAQs

What if I use the money in my HSA for nonqualified expenses?

Any amounts you use for purposes other than to pay for qualified medical expenses are taxable as income and subject to an additional 20 percent IRS tax penalty. This applies to:

- Medical expenses that are not considered "qualified" under federal law, like elective cosmetic surgery
- Other types of health insurance
- Medicare supplement premiums
- Expenses that are not medical- or health-related

To redeposit funds that have been used in error for nonqualified expenses, complete a withdrawal correction form, available at **optumbank.com.**

What if my doctor's office isn't familiar with HSAs and high-deductible health plans?

When you visit your doctor, be prepared to share information about your insurance plan with the person who verifies your insurance information and with your doctor.

Most importantly, let them know you don't have to pay a copayment. It's also important to talk to your doctor about your plan and let him or her know that you're thinking wisely about the care you receive and how much you spend on it.

*Optum Bank will charge a $2.50 per transaction fee for ATM withdrawals. Fees may also be charged by the ATM owner.

Lost or stolen Debit Mastercard®

If your card is lost or stolen, you can call Optum Bank any time of the day or night. Our phone system is set up to take this information even after business hours. We will reissue you a new card free of charge. It should arrive by mail within ten days of reporting a lost or stolen card.

Online banking and bill payment

Optumbank.com offers you the convenience of online banking. You can view recent account activity, link to your investment account, if you have one, and view and download your monthly statements. You can also pay bills for qualified medical expenses directly to your doctor or other health care providers. With online bill payment, you can set up the names and addresses of your providers to make future payments a snap.

At time of application, you agree to receive electronic monthly statements. You can, if you choose, request to have quarterly printed statements mailed to your home. You can change your delivery preferences at **optumbank.com.**

Paying with checks

You may also request HSA checks to use when paying your medical bills. You can order them online when you sign in to your account.

Mobile experience

You can easily access your Optum Bank HSA with your smart phone or tablet and manage your account on the go. The easy to read screen allows you to:

- View account balances and transactions
- Make a contribution to your HSA
- Pay a bill
- Upload receipts
- Reimburse yourself and more!

Reimbursing yourself

You may choose to pay for some or all of your medical expenses out-of-pocket, saving receipts to track your qualified expenditures. Then, at some point in the future, you may reimburse yourself for those expenses. Go to **optumbank.com** or **myuhc.com®**, sign in and select "Reimburse Myself." You'll be able to choose to set up an electronic funds transfer (EFT) from Optum Bank to your savings or checking account at another bank. Or, you can ask us to send you a check by mail. You may also use paper checks, if you have purchased them, or withdraw money with your debit card from an ATM to reimburse yourself.

When you reimburse yourself is completely up to you. It can be weeks, months or even years after you've paid for the qualified medical expenses. You must, however, have retained the receipts for the qualified medical expenses in the event the IRS inquires, and the expenses must have been incurred after the date when you established your HSA.

Disbursement limits

Optum Bank limits your ATM withdrawals to $300 within a 24-hour period.

Things to keep in mind when paying your medical bills:

- If paying a bill with your debit card, with online bill payment or by check, you must have sufficient funds available in your account to cover the cost.
- You can wait until your balance grows and reimburse yourself for costs you paid out of pocket. **(Remember: save your receipts.)**
- The true cost of your medical expense may be discounted if your doctor is in your health plan's network. It's best to wait until after the claim is filed and the insurance company notifies you of how much you are responsible for before using your HSA funds to pay.

Download the Optum Bank App

Enjoy an easier way to manage your health savings account. You can pay bills, view transactions, upload receipts and more! Download today on your Apple or Android device.

Download on the App Store | GET IT ON Google Play

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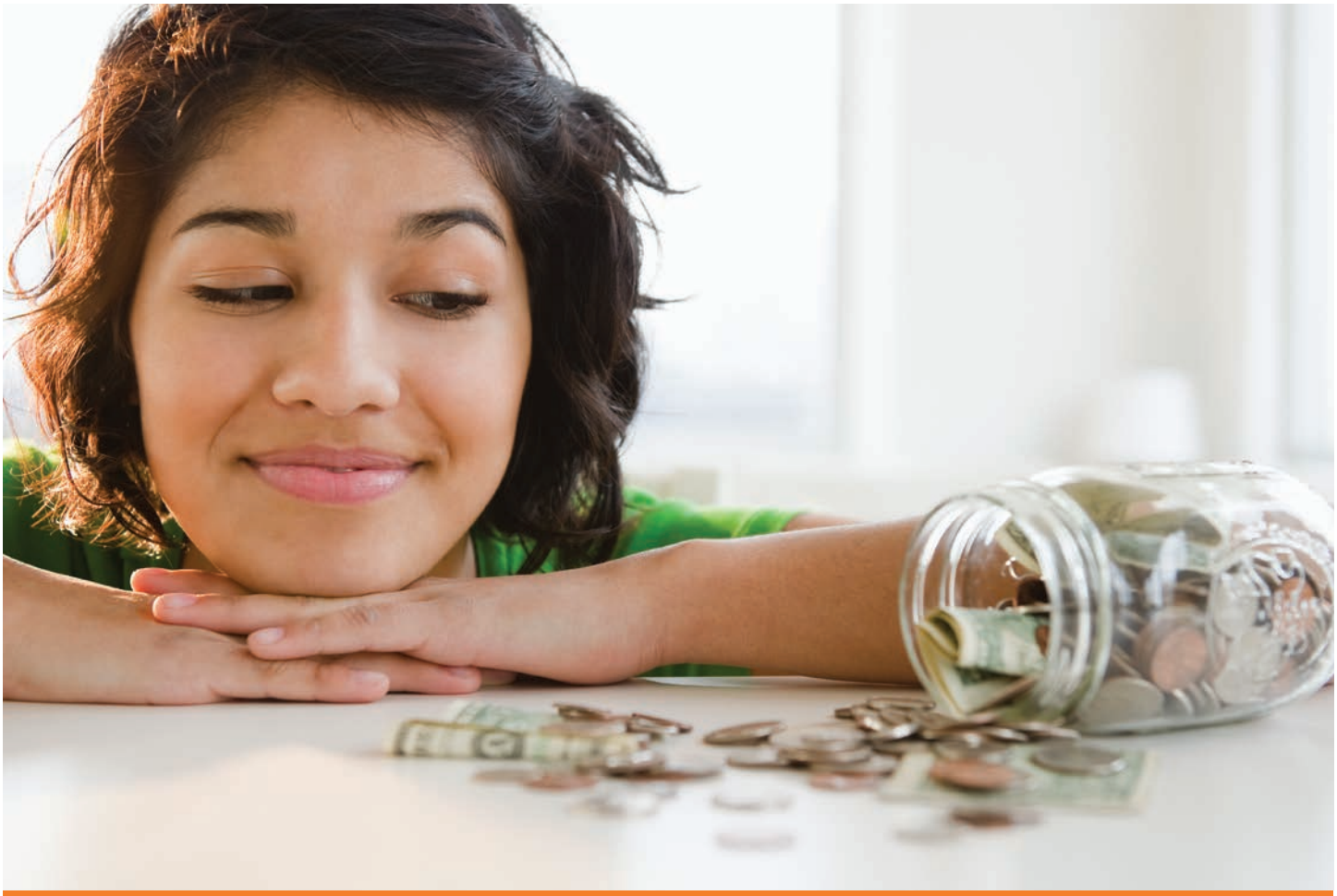


Managing your HSA

Good news. With an HSA, you're in charge of your account — not your employer, not your health insurance company, not your bank. That means, you get the benefit of pre-tax savings. Also, there's no "use it or lose it" rule with HSAs — the money is always yours to keep. In this section, get tips for managing your HSA, so you can get the most out of it.

Reporting to the IRS

You are responsible for saving receipts and keeping track of all expenses paid from your HSA funds, in case you need to prove to the IRS that distributions from the HSA were for qualified medical expenses.

You can download an expense tracking worksheet from **optumbank.com** to help you maintain your records. Or use your own money management software.

If you use your HSA funds to pay for goods or services that aren't qualified medical expenses, you are responsible for reporting that to the IRS, paying income taxes on the amount and possibly an additional 20 percent tax penalty. You will need to consult your tax advisor.

Strengthen your savings even more.

Your health savings account (HSA) helps guard you from out-of-pocket costs. But you have to stay smart with your savings to get the most out of your money. Explore our online tools and resources that can help you maximize your HSA. At **optumbank.com** you can sign up for HSA webinars, take the health savings checkup, access HSA calculators, watch videos and more.

For detailed information about tax reporting with your HSA, visit the U.S. Internal Revenue Service website at **IRS.gov.**

Important forms

For tax purposes, there are three important forms. You can sign in to your account and find your tax forms in the "Statements" section of our website at **optumbank.com:**

IRS Form 1099-SA

This form provides you with the total distributions that were made from your HSA. You will receive a separate 1099-SA for each type of distribution you had in that tax year. The five types of distributions are: normal, excess contribution removal, death, disability and prohibited transaction. If you did not have distributions during the tax year, you will not receive a 1099.

IRS Form 5498-SA

This form provides you with the contributions that you made to your HSA in a particular tax year. Account holders have the right to make contributions to their HSA for a tax year until April 15 of the following year.

IRS Form 8889

This is the HSA contribution form for you to complete and attach to your IRS 1040 Form to report year-to-date contributions and distributions from your HSA.

State tax information

While HSAs were created by the federal government, states can choose to follow the federal tax treatment guidelines or establish their own.

Eligible HSA contributions are not taxed by most states, but they are taxed in California and New Jersey. Please consult your tax advisor or state department of revenue for more information.

Withdrawals after age 65 or upon becoming disabled

After you turn 65 or become entitled to Medicare, you may withdraw money from your HSA for nonmedical purposes without penalty. The withdrawal is treated as retirement income and is subject to normal income tax. The same holds true if you become disabled before age 65: you are not liable for the 20 percent penalty and the withdrawals are treated as income.

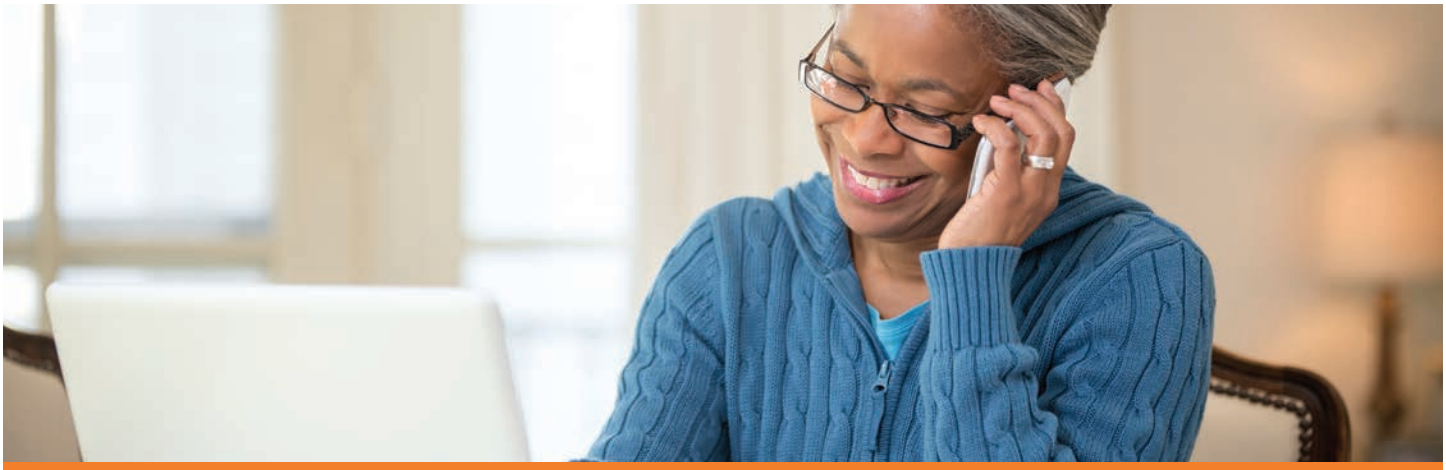
FAQs

What if I am no longer covered by an HSA-qualifying high deductible health plan?

Then you cannot continue to contribute to your HSA, but you can use your tax-free HSA funds to pay for qualified medical expenses for as long as there is money in the account.

In short, the money in your HSA is yours to keep.

Investments are not FDIC insured, are not guaranteed by Optum Bank®, and may lose value.



Optimizing your HSA

There are time-tested principles of saving money: start early, make regular deposits and set a goal for every year. The same wisdom applies to HSAs. Not only will your deposits grow, but your tax savings will, too. Your HSA can be a smart long-term investment vehicle that can play an important role in your overall wealth and retirement strategy.

Earnings and fees

Your HSA may earn interest at tiered rates. Interest rates and annual percentage yields (APYs) vary and are subject to change at any time. Fees may reduce earnings on account. To find out your current interest rate, sign in to your account at **optumbank.com** or **myuhc.com®.** Your interest rate can be found on your monthly statement.

Accounts are subject to a monthly maintenance fee to cover use of the Optum Bank debit Mastercard® and online bill payment. If you have a health plan and an HSA through work, your employer may cover the cost of monthly fees; check with your employer to find out its policy. You may also refer to the fee schedule that is included with your HSA welcome kit.

Investment opportunities

Once your HSA reaches a certain designated balance, you may choose to invest a portion of your HSA dollars. Optum Bank makes investing easy and more accessible for you by offering two investment opportunities.

You have two smart investment options.

Option 1: Optum Bank self-directed mutual funds: You can choose from a wide variety of over 30 mutual funds, that average a four-star Morningstar rating and represent some of the lowest expense ratios in the industry, including life stage funds. The Asset Allocation Calculator can help you decide which funds are right for you.

Option 2: Betterment digitally managed investments: Betterment helps take the guesswork out of investing your HSA. Based on your HSA investment goals, Betterment will recommend a personalized portfolio of low-cost exchange traded funds (ETFs) and help keep your HSA investment on track through auto-deposits and automated rebalancing. If you're saving your HSA for retirement, Betterment can also help you manage your investments alongside your other retirement accounts to help you maximize your after-tax retirement income.

Investing 101

- You must retain at least the minimum investment threshold* balance in your HSA deposit account at the time of a transfer.
- Funds must be invested in increments of $100 or more. You will need at least $100 over your investment threshold to begin investing.
- Any investment earnings such as interest or dividends are income tax-free.

What if you have unexpected medical costs?

No problem! If you're investing in the Optum Bank mutual funds you can easily transfer your investment funds back into your HSA.

OR

If you're investing with Betterment, they will make it easy by automatically selling the right funds for you.

Investments are not FDIC insured, are not guaranteed by Optum Bank®, and may lose value.

Thank you for choosing Optum Bank.

Investments are not FDIC insured, are not guaranteed by Optum Bank®, and may lose value.

*Investment threshold amounts may vary, check with your employer or sign in to your account for more information.

Mutual fund investment options are made available through the services of an independent investment advisor. Shares are offered through Charles Schwab & Co., Inc., a registered broker-dealer. Orders are accepted to effect transactions in securities only as an accommodation to HSA owner. Optum Bank is not a broker-dealer or registered investment advisor, and does not provide investment advice or research concerning securities, make recommendations concerning securities, or otherwise solicit securities transactions.

Health savings accounts (HSAs) are individual accounts offered or administered by Optum Bank®, Member FDIC, and are subject to eligibility and restrictions, including but not limited to restrictions on distributions for qualified medical expenses set forth in section 213(d) of the Internal Revenue Code. State taxes may apply. Fees may reduce earnings on account. This communication is not intended as legal or tax advice. Please contact a competent legal or tax professional for personal advice on eligibility, tax treatment and restrictions. Federal and state laws and regulations are subject to change.

Hypothetical examples used throughout this guide are for illustrative purposes only. They are presented strictly for educational purposes and do not reflect an actual plan design or personal situation. All events, persons and results described are entirely fictitious, and amounts will vary depending on your unique circumstances. Any resemblance to real persons or events, living or dead, is purely coincidental. Current rates are variable and may change at any time.

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