

Funding your future health care needs

Make a plan for a health savings account

A little planning now can go a long way to help take care of yourself in the future. Did you know that there's a way for you to start funding your health care needs in retirement — now? It's called a Health Savings Account, or HSA.

What is an HSA? How do I get one?

- ✔ An HSA helps you cover healthcare expenses with tax-deductible funds you set aside from your paycheck.
- ✔ You need a high deductible health insurance plan. Ask your insurance company or HR department if you can open an HSA.
- ✔ For approved medical expenses only. There's a 20% penalty for using HSA money for anything other than approved medical expenses.

What are the benefits?



Tax-free savings

Your HSA contributions are fully tax-deductible and tax-free when you spend them on care expenses.



Your HSA balance belongs to you. Period.

And any unused balance always rolls over each year — even if you change employers or retire.



Invest and grow

You can invest the money in your HSA for potentially higher growth — free of taxes.



Ways to integrate an HSA into your retirement plan

- Make the maximum contribution to your HSA.
- If investing is right for you, you can invest it to try to accumulate more wealth.
- If you can don't use your HSA until you retire. Just forget it's there, and it will keep growing until you really need it.

How does this strategy work?



It maximizes your money

Save the maximum and you can create a tax-free source of money just for your health.



Tax-free withdrawals

Unlike some options, your HSA grows tax free and is still tax free when you spend it on qualified medical expenses.



It covers a lot

Medicare premiums, deductibles, eye care, dental work, and lots more. Your Health Savings Account provider can offer a complete list.

For more information on retirement planning, speak with your financial professional or visit livingconfidently.com/myretirementreality.

