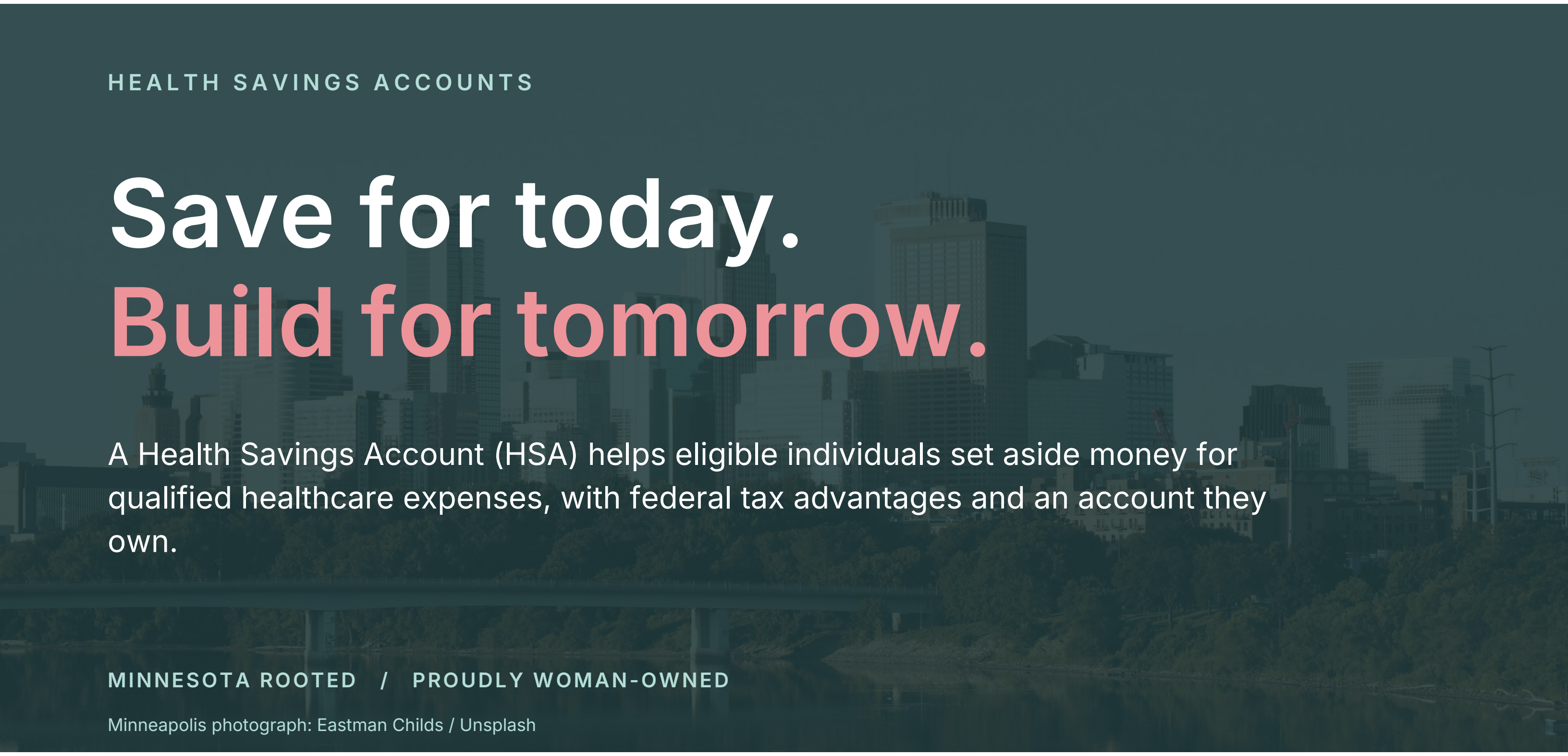

HEALTH SAVINGS ACCOUNTS

Save for today. Build for tomorrow.

A Health Savings Account (HSA) helps eligible individuals set aside money for qualified healthcare expenses, with federal tax advantages and an account they own.

MINNESOTA ROOTED / PROUDLY WOMAN-OWNED

Minneapolis photograph: Eastman Childs / Unsplash

The tax trifecta.

Three federal tax advantages. One account that stays yours. [2]

Put money in.

Eligible contributions can reduce your federal taxable income.

Let it grow.

Interest and investment earnings grow free of federal income tax within the HSA.

Use it well.

Withdrawals for qualified medical expenses are free of federal income tax.

2027 ANNUAL CONTRIBUTION LIMITS [1, 2]

$4,500	$9,000	+$1,000
Self-only coverage	Family coverage	Age 55+ catch-up

Full-year eligibility assumed. Employer and personal contributions share the limit across all your HSAs. Catch-up contributions require eligibility; see page 3.

01 / ELIGIBILITY

Start with eligibility.

Your health plan matters. So does any other coverage you have. [2-4]

1. **Qualifying health coverage**
   You have HSA-eligible health coverage on the first day of the month. A high deductible alone does not make a plan HSA-qualified.

2. **No disqualifying coverage**
   You are not covered by another health plan that disqualifies you from HSA contributions. Some limited types of coverage are permitted.

3. **Not enrolled in Medicare**
   Turning 65 alone does not end eligibility. Enrollment in any part of Medicare does. Retroactive Medicare coverage can also create excess contributions.

4. **Not another person's dependent**
   You cannot be eligible to be claimed as a dependent on someone else's tax return, even if that person does not actually claim you.

A spouse's FSA can matter.

A general-purpose health FSA or HRA that can reimburse your medical expenses generally blocks HSA contributions - including a spouse's FSA. A properly designed limited-purpose or post-deductible FSA/HRA may be compatible. Separate dental, vision and dependent care benefits generally do not disqualify you.

2027 HDHP thresholds [1]

Standard HDHP	Self-only	Family
Minimum annual deductible	$1,750	$3,500
Maximum annual out-of-pocket	$8,700	$17,400

Premiums are excluded. For network plans, these out-of-pocket limits apply to in-network care. Qualifying individual-market bronze and catastrophic plans have special rules below.

Coverage rules to know [3]

Preventive care and telehealth. An HSA-qualified plan may cover permitted preventive care, telehealth and certain other allowed benefits before the deductible.

Individual-market plans

Qualifying individual-market bronze and catastrophic plans are treated as HSA-eligible even when they do not meet the standard HDHP thresholds. Other HSA eligibility rules still apply; confirm your specific coverage.

Direct primary care

A qualifying direct primary care arrangement can be compatible with an HSA. For 2027, aggregate monthly fees must not exceed $150 for one person, or $300 if any arrangement covers more than one person. Other requirements apply. [1, 3]

Have Medicaid, TRICARE or VA benefits? Ask us to help you review the applicable contribution rules before funding your HSA.

02 / YOUR MONEY

Contribute wisely. Use it confidently.

PUTTING MONEY IN [1, 2, 4]

Count every contribution.

Personal, employer and other contributions share one annual limit across all your HSAs. Eligible rollovers and direct HSA-to-HSA transfers do not use up that limit.

Match your eligible months.

Your limit generally follows your coverage and eligibility on the first day of each month. The last-month rule may allow more, but requires continued eligibility through a testing period: December 1, 2027 through December 31, 2028. Ask before relying on it.

Coordinate as a household.

When either eligible spouse has family coverage, the spouses generally share the $9,000 family limit. Each eligible spouse age 55+ by year-end makes any $1,000 catch-up contribution to their own HSA. Part-year eligibility can reduce these amounts.

Choose how you fund it.

Eligible payroll contributions through a Section 125 cafeteria plan generally avoid federal income and employment taxes. Eligible direct contributions may be income-tax deductible. State treatment varies.

Correct excess contributions.

If you contribute too much, contact your HSA custodian for the proper correction. An ordinary withdrawal is not necessarily an excess-contribution correction.

USING YOUR BALANCE [2, 4]

Pay qualified healthcare costs.

Eligible costs include medical, dental and vision care, prescriptions, over-the-counter medicines and menstrual care products. Most insurance premiums are ineligible; ask about exceptions before paying them from your HSA.

Check whose expenses qualify.

Qualified expenses may be for you, your spouse or dependents meeting the special HSA tax rules, even on a different health plan. A child covered through age 26 does not automatically qualify. Income and filing status alone do not settle dependency.

Keep the receipts.

Expenses generally must be incurred after the HSA is established, and cannot be reimbursed elsewhere or deducted on your tax return. A debit card does not replace supporting records. With those records, you may reimburse yourself later.

The balance stays yours.

Your HSA stays yours when you change jobs or retire. Unused funds carry forward. You may still pay qualified expenses after contribution eligibility ends. Spend only the available balance.

Know the withdrawal rules.

Nonqualified withdrawals are taxable and generally carry an additional 20% tax before age 65. The additional tax does not apply after age 65 or disability, although ordinary income tax can still apply.

03 / PEOPLE BEHIND THE PROGRAM

Benefits expertise. Personal support.

Technology keeps information within reach. Our team helps make it useful - with clear answers, coordinated administration and personal support for employers and participants.

Enrollment made clearer.

We help employees navigate enrollment, understand contribution eligibility and get started with account access.

Contributions coordinated.

We support employers with contribution files, recurring contribution administration and reporting.

Tools that stay within reach.

Participants can access account information, statements and tax documents through their account portal, with support when questions come up.

People when you need them.

From everyday account questions to changing coverage, we help identify the next step and coordinate with the appropriate provider.

Your HSA. Clearly defined roles.

Benefit Extras provides administration and platform support. The HSA custodian holds your funds. Your account agreement explains fees, available services and investment options. Investments can lose value; review the applicable terms before investing.

Let's make HSAs easier.

952.435.6858 | flex@benefitextras.com

Talk to Us About HSAs / benefitextras.com

Built on Family. Focused on Benefits. | Proudly woman-owned.

Federal tax overview reviewed September 14, 2026 for 2027. Individual circumstances and state tax treatment vary. Consult your tax adviser for personal tax guidance.

[1] IRS Rev. Proc. 2026-24 [2] IRS Publication 969 [3] IRS Notice 2026-5 [4] Form 8889 instructions