

HSA Eligibility

Qualified High-Deductible Health Plan Requirements (QHDHP)	2024	
	Individual	Family
QHDHP Minimum Deductibles	\$1,600	\$3,200
QHDHP Maximum Out-of-Pocket Amounts ¹	\$8,050	\$16,100

¹ Including deductibles, co-payments, and other amounts, but excluding premiums. See IRS Publication 969 (www.irs.gov) for more information.

HSA Contribution Limits

Qualified High-Deductible Health Plan Requirements (QHDHP)	2024	
	Individual	Family
HSA Contribution Limits (employer + employee)	\$4,150	\$8,300
HSA Catch-Up Contributions (Age 55 and over)	\$1,000	\$1,000

HSA balances rollover year to year, unlike Flexible Spending Accounts (FSA).

Qualified HSA Funding Distribution (QHFD)

A one-time **tax free** rollover from an IRA to an HSA. Rollover along with other contributions can not exceed the contribution limit for the year. Contribution can only be made for the current year.

Tax Advantages

Employee	▪ Contributions are pre-tax
	▪ Growth (interest earned) is tax-free
	▪ Withdrawals for qualified medical expenses tax-free
Employer	▪ Contributions to employees HSA are deductible
	▪ Contributions to employees HSA are FICA tax-free

Beneficiary

Spouse	▪ Tax-free transfer to their HSA
Non-Spouse	▪ Taxable as income

At Age 65

*Special Considerations

65 yrs. and older	▪ Use for retirement income, but taxable.
Pre-65 yrs.	▪ Use for Non Qualified Medical Expenses taxable plus 20% penalty

Long-Term Care Premiums

HSA funds can be used tax-free to pay Long-Term Care insurance premiums up to limits based on age.

Age	Tax free withdrawal for LTCi
< 40	\$470
41-50	\$880
51-60	\$1,760
61 - 70	\$4,710
> 70	\$5,880

Married Couple

Household Income \$100,000

HSA Contribution \$7,750

$$\begin{aligned} & \$7,750 \times 22\% = \\ & \quad \mathbf{\$1,705} \\ & \mathbf{\text{Tax Savings}} \end{aligned}$$

Employer: 10 employees @100k

Company Payroll \$1,000,000

Employee HSA Contribution \$77,500

$$\begin{aligned} & \$77,500 \times 7.65\% = \\ & \quad \mathbf{\$5,928} \\ & \mathbf{\text{Tax Savings}} \end{aligned}$$

*based on a 125 cafeteria plan

HSA Providers

HSA Providers Examples

Providers	Debit Card	Self-directed Brokerage	Mutual Funds Only
Lively	✓	✓	
Fidelity	✓	✓	
Health Savings Administrators	✓		✓

* There are many providers with different options available. The ones listed are selected to provide a reference. We recommend you research providers to select the one that will best fit your needs.

IRS Guidance Publication

Health Savings Account Publication 969

This material is intended for informational purposes only. Please contact your financial professional for more information specific to your situation. Securities and advisory services offered through Commonwealth Financial Network, Member FINRA/SIPC, a Registered Investment Adviser.

Things to look for in an HSA Provider:

Investment Threshold	Some accounts may have investment minimums. Understand what these minimums are and if it is feasible.
Investment Menu	What are the options? Long-term options, or only low-return options?
Self-directed Brokerage	Self-directed brokerage accounts allow you the flexibility to invest in stocks and bonds of your choice. Is it limited only to the providers pooled investments?
Financial Strength	Ensure the provider you choose is reputable.
Account Fees	Look at what fees are associated with the account. Some providers may have fee waivers for accounts that meet specific criteria.
Tiered Interest Rate	Tiered interest rates means the interest rate increases as the balance increases.
Debit Cards	Some providers will include a debit card to pay for expenses directly from the HSA. Others will work on a reimbursement system.

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