



## A HEALTH SAVINGS ACCOUNT: THE TRIPLE TAX ADVANTAGE BENEFIT

Health care expenses are a growing concern for many—and an E Benefits health savings account, or HSA, is an option becoming increasingly available to help workers set money aside. And there are tax benefits of a health savings account as well. In fact, a health savings account offer

HSA account owners a triple tax advantage:

- Contributions reduce taxable income.
- Earnings on the account build up tax free.
- Distributions from the account for [HSA qualified expenses](#) aren't subject to taxation.

Eligibility is set by different guidelines specific to this type of account. A health savings account allows those enrolled in high-deductible health plans (HDHPs) to save money tax-free to pay for medical expenses. Unlike a flexible spending account (FSA), a health savings account can be used as an investment account because the funds aren't lost after a certain period of time.

The benefits of an HSA share a lot of similarities with individual retirement accounts (IRAs), such as:

- Allows employees to save and grow money, tax-free.
- Employees can decide how to invest and grow their money.
- HSA funds can be withdrawn anytime for medical expenses.
- After age 65, the funds can be used for any purpose, without penalty.

There are two types of health savings offerings from E Benefits:

### EMPLOYER-SPONSORED HSA

An employer offers a HDHP combined with an HSA.

How it Works

1. An employee enrolls.
2. Money is deducted from the employee's paycheck to go toward health savings. Employers can also make contributions.
3. The employee manages their own funds and investment options.
4. The health savings account is used to pay for out-of-pocket medical expenses that are [eligible for reimbursement](#).

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