



Health Savings Account

HSA

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What is an HSA?

A health savings account is a tax-advantaged medical savings account for people who are enrolled in an approved high-deductible health plan (HDHP). Individuals can use the funds for medical expenses, such as prescriptions, eye care, dental, and some over-the-counter medications. The funds contributed to an HSA are tax-deductible, reducing the taxable income.

An advantage of an HSA is that contributions are not restricted to a particular year. Instead, the funds continue to accumulate. Earnings grow tax deferred and withdrawals are tax free if used for qualified medical expenses. In addition, funds are not lost if the individual changes health plans. After age 65, funds can be withdrawn penalty free for all purposes.

Qualifying for an HSA

To contribute to an HSA, you must meet the following requirements:

- ◆ Be enrolled in an eligible high-deductible health plan (HDHP).
- ◆ Have no other medical coverage.
- ◆ Not enrolled in Medicare.
- ◆ Not claimed as a dependent on someone else's tax return.

Continue to Grow

Each year that you choose to make a contribution to your self-directed HSA, the funds can be invested in assets that you choose. Income generated from the investment will return to the HSA and can be distributed tax-free if used for eligible health care expenses. After age 65, you can take money out for any reason without penalty.

Annual HSA Contributions			
Contributions are adjusted annually for cost-of-living increases.			
Tax Year	Single Coverage Maximum Contribution	Family Coverage Maximum Contribution	Catch-Up Contribution (age 55 or over)
2019	\$3,500	\$7,000	\$1,000
2020	\$3,550	\$7,100	\$1,000

HSA's Maximize the Benefits of an HDHP

Once an individual has selected a qualified HDHP, they can open a self-directed HSA with Entrust. A self-directed HSA not only gives the individual control over their medical expenses, but also allows them to control *how* their money is invested. Self-direction allows individuals to access a larger range of investment opportunities than those offered by traditional HSA account administrators. In addition to CDs and mutual funds, with a self-directed HSA, individuals can invest in real estate, notes, precious metals, and more—all permitted by the IRS.

What makes an eligible HDHP?

A high deductible health plan (HDHP) has lower monthly premiums than traditional health plans. A plan qualifies as a HDHP for HSA ability if it meets the following criteria:

	Single Coverage	Family Coverage
Minimum annual deductible*	\$1,350 (2019) \$1,400 (2020)	\$2,700 (2019) \$2,800 (2020)
Maximum annual deductible and other out-of-pocket expenses*	\$6,750 (2019) \$6,900 (2020)	\$13,500 (2019) \$13,800 (2020)

*These items may be increased based on cost-of-living adjustments. Speak with a health care insurance specialist for more information.

Start Saving Today

It's never been easier or more convenient to establish an account with Entrust:

1. Call your local Entrust office and request a new account application, or open an account online at: <https://www.theentrustgroup.com/open-an-account>
2. Submit your application* to your local office, or see submission options below:

Email:

newaccounts@theentrustgroup.com

Fax:

510-587-0960

Mail:

The Entrust Group
555 12th Street, Suite 900
Oakland, CA 94607

3. Fund your IRA by making a contribution, or transfer/roll over an existing IRA or 401(k).
4. Choose your investment. For investment ideas, the Entrust Learning Center has a complete library of articles, case studies, news, and ideas on a number of different investment strategies.

If you would like to learn more about how you can benefit from self-direction, please take advantage of free, live and pre-recorded events offered through any one of our nationwide offices.