Health benefit account options

Welcome to Open Enrollment 2023
Get to know Optum Financial

We are here to help make health care work better for you

**Ways to save**
Choose accounts to help you with life’s most important expenses.
- HSAs, FSAs, HRAs, Lifestyle Accounts
- Commuter
- COBRA Administration

**Resources**
Information at your fingertips through engaging videos, courses, flyers, webinars.

**Technology**
Innovative tools help you use, manage, and maximize your accounts.

**Easy payments**
Payment cards that can be used most anywhere and digital wallet capabilities (offered for some account types)
Let’s learn about HSAs
What is an HSA?

A health savings account, or HSA, is an account that saves you money by letting you use income tax-free dollars to pay for qualified medical, dental, & vision expenses.

- **Sign up** during enrollment. HSAs are compatible with a qualifying high deductible health plan (HDHP).
- **Contribute income-tax free money** to your account – up to IRS limits – and adjust at any time during the year.
- **Spend** your HSA dollars on hundreds of items – like glasses, Rx refills, and doctor visits.
- **Earn** potential interest on your balance. Choose to invest HSA funds for potential added growth, after meeting minimum balance.
- **Balances carry over** from year-to-year, to new jobs, and into retirement.

An HSA is designed to help you save money for use today or later.

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How an HSA helps you save money
Save, earn and spend income tax-free (legally)

Money in. Deposits are exempt from income tax

Earnings. Interest and potential investment growth are income tax-free

Money out. Funds spent on qualified medical expenses are income tax-free
HSA savings in action - meet Jake

Meet Jake. He’s 27 and considers himself fairly healthy. When he started his new job, he decided to open an HSA and contribute $100 per month. Because he hasn’t had many medical expenses, he decided not to touch the balance during his first year. Once he turns 40, he begins using $500 each year after that to cover his health costs. Here’s how Jake’s balance grows:

Use the HSA contribution calculator on optumbank.com to help determine your contributions and see how much you can save on taxes.

Assuming 22% federal income tax and 7.65% FICA. Results and amount will vary depending on your particular circumstances.
## What’s covered under an HSA?

Save on out-of-pocket costs head to toe

<table>
<thead>
<tr>
<th>Covered Item</th>
<th>Example Item</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acupuncture</td>
<td>Physical exam</td>
</tr>
<tr>
<td>Chiropractic Care</td>
<td>Physical therapy</td>
</tr>
<tr>
<td>Eye exams, glasses, &amp; contacts</td>
<td>Prescription drugs &amp; refills</td>
</tr>
<tr>
<td>Flu shots</td>
<td>Psychiatric care</td>
</tr>
<tr>
<td>Nursing services</td>
<td>Sunscreen, SPF 15+</td>
</tr>
<tr>
<td>Orthodontia (non cosmetic)</td>
<td>Wheelchair, walkers, crutches, &amp; canes</td>
</tr>
</tbody>
</table>

Use the Qualified Medical Expense Tool on optumbank.com to see if your specific expense qualifies for reimbursement.

... and so much more!
How much **should** I contribute? How much **can** I contribute?

**Things to consider when choosing your contribution amount**

- Do you have any ongoing prescriptions?
- When do you plan to retire?
- Are you considering starting a family?
- Do you have a planned procedure or surgery?
- Is someone in your family getting braces?
- How much is your health plan deductible?

**2022 Limits**
- Individual: $3,650
- Family: $7,300

**2023 Limits**
- Individual: $3,850
- Family: $7,750

When you are 55 or older, and not enrolled in Medicare, you can fund an additional **$1,000 each year**, called a catch-up contribution.
How do I know if I’m eligible for an HSA?

Most people covered under a qualifying high-deductible health plan (HDHP) are eligible. Here are a few more IRS requirements.

- You are not covered by any other health plan that is not an HDHP
- You are not enrolled in Medicare, TRICARE or TRICARE for Life
- You haven’t received Veterans Affairs (VA) benefits within the past three months, except for preventive care; if you have a disability rating from the VA, this exclusion doesn’t apply
- You can’t be claimed as a dependent on someone else’s tax return
- You do not have a health care flexible spending account (FSA) or health reimbursement arrangement (HRA) alternative plan designs
- Other restrictions and exceptions may also apply. We recommend that you consult a tax, legal or financial advisor to discuss your personal circumstances
Investing in your HSA
Options for every type of investor

1

Mutual funds — if you’d like to choose from a pre-selected list of mutual funds
- A diverse variety of mutual funds
- High Morningstar ratings
- Low expense ratios

2

Digitally managed investments — if you’re short on time or need help
- Online investment support from Betterment
- Brief questionnaire on goals, risk profile
- Low-cost exchange traded funds (ETFs)
- Auto-deposits and automated rebalancing

Savings potential

Let’s say you contribute $3,000 a year to your HSA until retirement. Assuming you use $1,500 a year for medical expenses, earn 7% a year in interest and investments, and reinvest all earnings, your savings can really add up. But, the earlier you start, the more potential you have. See how starting in your early years can really pay off.

<table>
<thead>
<tr>
<th>Starting age</th>
<th>HSA value at age 65(^1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>25</td>
<td>$320,420</td>
</tr>
<tr>
<td>35</td>
<td>$151,613</td>
</tr>
<tr>
<td>45</td>
<td>$65,799</td>
</tr>
<tr>
<td>55</td>
<td>$22,176</td>
</tr>
</tbody>
</table>

Investments are not FDIC insured, are not bank issued or guaranteed by Optum Financial or its subsidiaries, including Optum Bank, and are subject to risk including fluctuations in value and the possible loss of the principal amount invested.

Account holders must meet the minimum balance to begin investing, this amount may vary, check your online account or plan documents.

\(^1\) Hypothetical example for illustrative purposes only. Amounts will vary depending on your unique circumstances.
How can I access my account?

### Online portal
- Make deposits
- Pay bills
- Reimburse yourself
- Manage your investment activity

### Payment card
- Pay the easier way at the doctor’s office, chiropractor or pharmacy
- Use your card to pay for qualified medical expenses online
- Order additional cards for family members covered under your plan

### Mobile app
- Pay bills, track payments, and reimburse yourself
- Search for qualified medical expenses
- Capture and submit receipts
- Easily deposit funds
- Calculate your contributions
- Update your beneficiary

It’s easy to check account information, submit receipts, reimburse yourself
Common questions?
You’ve got questions, we’ve got answers

- Who owns my HSA?
- Do I need to keep my receipts?
- I already have an HSA. Can I open another?

More questions? Visit optumbank.com for other frequently asked questions.
Get started now with your Optum Bank HSA

1. Check your enrollment dates

2. Select an HSA for year-round savings and benefits

3. Adjust contribution amounts throughout the year; spend and use your account for your care.

For more information, visit optumbank.com