

# HSA FAQs

## HEALTH SAVINGS ACCOUNTS



### **Q: DO I NEED TO HAVE HEALTH INSURANCE TO HAVE A HEALTH SAVINGS ACCOUNT (HSA)?**

**A:** Yes. To be eligible to open and contribute to an HSA, you need to be enrolled in a qualified high-deductible health plan (HDHP)—one with a minimum annual deductible of \$1,650 for self-only coverage or \$3,300 for family coverage.

### **Q: WHO OWNS THE HSA?**

**A:** You do.

### **Q: DOES THE MONEY IN MY HSA EARN INTEREST?¹**

**A:** Yes. Best of all, the interest you earn on your HSA balance is tax-free! HealthEquity calculates, compounds, and credits interest monthly based on the applicable rate for different tiers of the account balance. For current rates see the Interest rate schedule¹ in the 'Documents & forms' section at [Learn.HealthEquity.com/Adobe](https://Learn.HealthEquity.com/Adobe).

### **Q: CAN I INVEST THE MONEY IN MY HSA?²**

**A:** Yes. With your HealthEquity HSA, you can invest in mutual funds once your HSA balance exceeds \$1,000.

### **Q: IS MY HSA FDIC-INSURED?**

**A:** HSA cash balances are held at FDIC-insured or NCUA-insured institutions and are eligible for federal deposit insurance, subject to applicable requirements and limitations.

### **Q: CAN I ROLL THE MONEY FROM MY IRA INTO MY HSA?**

**A:** Yes. You can make a once-in-a-lifetime rollover from your IRA into your HSA. You can't, however roll money into your IRA from your HSA. Note that an IRA rollover will count toward your annual contribution amounts.

### **Q: WHO CAN PUT MONEY INTO MY HSA?**

**A:** Anyone can contribute to your HSA. However, only the accountholder and the employer receive tax deductions on money contributed.

### **Q: DO I HAVE TO CLAIM CONTRIBUTIONS FROM OTHERS ON MY INCOME TAXES?¹**

**A:** You don't have to claim contributions you receive from others, whether your employer or your family, as gross income on your annual tax return.

### **Q: HOW MUCH MONEY CAN I CONTRIBUTE TO MY HSA?**

**A:** In 2025, the maximum contribution set by the IRS for an individual account is \$4,300 and the maximum contribution for family coverage is \$8,550. People over the age of 55 can make an additional 'catch-up' contribution of \$1,000 each year. These limits are the same regardless of the source of the contribution.



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### **Q: WHAT HAPPENS TO THE MONEY IN MY HSA IF I LEAVE MY JOB OR RETIRE?**

**A:** You take that money with you wherever you go. If you enroll in Medicare or work for another employer that doesn't have a qualified HDHP, you can still use your HSA money to pay for qualified medical expenses, but won't be able to contribute to your HSA.

### **Q: DOES MY HSA MONEY EXPIRE?**

**A:** Your HSA rolls over every year.

### **Q: WHAT CAN I PAY FOR WITH MY HSA?**

**A:** Your HSA dollars can be used to pay any qualified medical expenses (see the next question for more information), including your plan deductibles, co-insurance and co-pays.

### **Q: WHAT IS A QUALIFIED MEDICAL EXPENSE?<sup>3</sup>**

**A:** Qualified medical expenses are those medical, dental and vision expenses defined in IRS Publication 502 (<https://www.irs.gov/publications/p502>). Visit [Learn.HealthEquity.com/Adobe/QME](https://www.healthequity.com/learn) to see an interactive list.

### **Q: CAN I TAKE THE MONEY OUT OF MY HSA ANY TIME I WANT?**

**A:** Yes. You can withdraw money tax- and penalty-free if used for qualified medical expenses. If you take money out for other purposes, however, you'll have to pay income taxes on the withdrawal plus a penalty. After age 65, you can use HSA funds for other purposes without penalty. You'll just need to pay income taxes on the withdrawal amount. Funds withdrawn for qualified medical expenses will remain tax-free.

### **Q: I AM A PARENT ON AN HSA-BASED PLAN, BUT DIDN'T COVER MY CHILDREN UNDER THIS PLAN. CAN I USE THE MONEY IN MY HSA TO PAY FOR MY CHILDREN'S MEDICAL EXPENSES, CO-PAYS, AND DEDUCTIBLES?**

**A:** Yes. The money in your HSA can be used to pay for qualified medical expenses of any family member who qualifies as a dependent on your tax return. However, if the dependent isn't covered under your plan, their expenses won't be applied toward your deductible.

### **Q: MY DOMESTIC PARTNER IS COVERED ON MY INSURANCE PLAN. CAN I USE MY HSA FOR MY DOMESTIC PARTNER'S MEDICAL EXPENSES?**

**A:** If your domestic partner meets the IRS qualifications of a tax dependent, you can legally use your HSA funds for their medical expenses.

### **Q: DO I PAY FOR THE FULL DOCTOR'S OFFICE VISIT WHEN I GO TO THE DOCTOR?**

**A:** You're responsible to pay the amount your insurance has contracted to pay your doctor, typically at a discounted rate, until your deductible is met. You can use your HSA for this expense. It's best to have your doctor's office bill your insurance before you pay, so that you receive credit toward your deductible and know exactly what to pay. Some doctors may require that you pay up front, but most bill your insurance, and then bill you once the claim has been processed. Make sure you don't pay more than your portion shown on the Explanation of Benefits (EOB) you receive from your insurance carrier.

### **Q: I'M RETIRED. CAN I STILL CONTRIBUTE TO MY HSA?**

**A:** Yes, as long as you are covered by a qualified HDHP and are not enrolled in Medicare.

### **Q: IF MY SPOUSE IS ON MEDICARE, CAN I CONTRIBUTE TO AN HSA?**

**A:** Yes. As long as you're not enrolled in Medicare yourself and are still enrolled in a qualified HDHP, you can contribute to your HSA.

### **Q: CAN I USE THE MONEY IN MY HSA FOR NON-MEDICAL EXPENSES?**

**A:** If you are under 65, you'll be taxed on the money you use and assessed a penalty. After age 65, if you withdraw funds for any purpose other than qualified medical expenses, you will be subject to income taxes. Funds withdrawn for qualified medical expenses will remain tax-free.

### **Q: CAN I USE MY HSA TO PAY FOR VOLUNTARY COSMETIC SURGERY?**

**A:** Your HSA can be used for cosmetic surgery if prescribed by a physician and deemed to be medically necessary.

### **Q: CAN I ACCESS MY HSA ONLINE?**

**A:** Yes. You can see your account balance, claims history and electronic statements online. You can also pay providers, request reimbursements, and manage your personal information. Log in at [My.HealthEquity.com](https://www.healthequity.com/my) to get started.

### **Q: HOW DO I CONTACT HEALTHEQUITY?**

**A:** You can call HealthEquity Member Services 24/7 at 866.346.5800.

<sup>1</sup> HSAs are never taxed at a federal income tax level when used appropriately for qualified medical expenses. Also, most states recognize HSA funds as tax-free with very few exceptions. Please consult a tax advisor regarding your state's specific rules.

<sup>2</sup> Investments are subject to risk, including the possible loss of the principal invested, and are not FDIC or NCUA insured, or guaranteed by HealthEquity, Inc. Investing through the HealthEquity investment platform is subject to the terms and conditions of the Health Savings Account Custodial Agreement and any applicable investment supplement. Investing may not be suitable for everyone and before making any investments, review the fund's prospectus.

<sup>3</sup> It is the members' responsibility to ensure they're eligible for the expenses submitted.