



Hot Tips for HSAs

Here's a "Top Ten" list of reasons why employers and employees should establish Health Savings Accounts (HSAs).

- 10 HSA-eligible high-deductible health plans can save premium dollars for employers and employees.
- 9 HSAs belong to the account holder and are retained by the participant when changing jobs.
- 8 HSA contributions are non-taxable.
- 7 HSA growth through interest and dividends is non-taxable.
- 6 Disbursements for qualified medical expenses are non-taxable.
- 5 There is no dollar limit on the amount that may accumulate in an HSA.
- 4 The maximum annual contribution may be deposited into an HSA even if it is established mid- year.
- 3 HSAs roll over from year to year. There is no "use-it-or-lose-it" like cafeteria plans.
- 2 The employer and the employee can both contribute to an individual's HSA during the year.
- 1 HSAs get their indexed figures released long before other benefits. Here are the 2010 HSA limits:

Health Savings Account (HSA)	2009	2010
Minimum deductible amounts for the qualifying high-deductible health plan (HDHP)		
Individual coverage	\$1,150	\$1,200
Family coverage	\$2,300	\$2,400
Maximum contribution levels		
Individual coverage	\$3,000	\$3,050
Family coverage	\$5,950	\$6,150
Catch up contribution allowed for those 55 and over	\$1,000	\$1,000
Maximums for HDHP out-of-pocket expenses		
Individual coverage	\$5,800	\$5,950
Family Coverage	\$11,600	\$11,900

Cost-of-living adjustments must be released by June 1 of every year for HSAs. The release of HSA minimums and maximums earlier in the calendar year will ensure that plan sponsors and their employees have ample time to set up for the coming year. Plan design options can be weighed and brochures and educational materials can be printed ahead of open enrollment.

Find out more information on HSAs at: www.mhmresources.com/ftl_08.htm#HSA. ○

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