

Health Savings Account Overview



Member since 2011



Members
since 2012



Members
since 2010

Webinar agenda

- 1** The basics about HSAs
- 2** How to use your HSA
- 3** Growing your HSA

What is an HSA?

An HSA or Health Savings Account is a personal savings account for health expenses



Qualifying health plan + savings account

HEALTH PLAN

HSA-qualified plan through insurance

The Adobe Aetna HealthSave and HealthSave Basic plans are HSA-qualified plans



HSA through HealthEquity

Tax-free¹ savings for qualified out-of-pocket medical expenses

Features of an HSA

AN EASY WIN

in today's

— COMPLEX —

HEALTHCARE
SYSTEM

Save now:

- HSA contributions aren't taxed
- Qualified medical expenses are tax-free¹

Save for the future:

- HSA funds roll over year after year
- You keep the money even if you change jobs or insurance plans
- Tax-free interest earned
- Simple investment options

Who can contribute to an HSA?



To contribute to an HSA, the IRS requires that:

- You are covered **ONLY** by an HSA-qualified health plan
 - Other health coverage may disqualify you (including Medicare, Tricare, or a traditional health plan)
- You do not have access to a full purpose health care FSA (even through a spouse)
- You aren't claimed as a dependent on anyone's tax return

Who contributes?

- **You and Adobe:**

- Eligible employees enrolled in the **Aetna HealthSave (HSA) medical plan*** in January will receive the following contribution to their HealthEquity HSA:

- Adobe's individual contribution: **\$850**
- Adobe's family contribution: **\$1,700**

The funds will be deposited in full at the beginning of the plan year. If you join the plan or change from individual to family coverage after January, you will receive a prorated amount based on event date.

- You can also contribute to the HSA

- **You only:**

- If you elect the **Aetna HealthSave Basic medical plan**, you can contribute to an HSA (there's no Adobe HSA contribution).



*NOTE: Only those who are eligible to contribute to an HSA should enroll in the Aetna HealthSave (with HSA) medical plan. If you're enrolled in Medicare or TRICARE, you can enroll in an Aetna HealthSave plan without an HSA (no company HSA funding nor ability to make contributions yourself). When you first enroll, you are asked to certify your eligibility for an HSA as part of the enrollment process. If you are already enrolled, your certification rolls over to the new year but you should review and update if/when you have a change in your eligibility.

Don't leave
money
on the **TABLE** for the
IRS

Put money into your HSA

**Maximize your HSA
contributions in 2020:**

Single-coverage: \$3,550 (2019: \$3,500)
save up to \$700 in taxes!¹

Family-coverage: \$7,100 (2019: \$7,000)
save up to \$1,400 in taxes!¹

Catch-up contribution,
age 55+: \$1,000

How to add funds to your HSA

With both Adobe Aetna medical plans, you have the option to contribute to the HSA

- **Pre-tax contributions through payroll**
 - Change your payroll deductions any time (subject to payroll cut-off dates) on the Adobe Benefits Enrollment Site. (benefits.adobe.com > HSA Savings Account > [HSA contributions](#))
 - You can only contribute through Payroll for the current calendar year
- **Post-tax contributions directly through the HealthEquity member portal**
 - You can contribute for the previous calendar year starting January up until April 15
 - Funds you add directly on the portal do not go through your company's payroll



At the very least...

Fund your account before paying a qualified expense

What are qualified medical expenses?



HSA funds can be used for a variety of qualified medical, dental and vision expenses, including out-of-pocket costs for:

- Exams
- Prescriptions
- Procedures
- Contact lenses
- Dental treatment
- And much more!

For an expanded list of qualified medical expenses, visit:

[HealthEquity.com/QME](https://www.healthequity.com/QME)

Can I use my HSA for my family?

Yes, expenses for your spouse and tax dependent children are qualified HSA expenses

Even if your family is not eligible or not covered on your HSA-qualified health plan



How it works

At the doctor's office...



How it works

At the pharmacy...



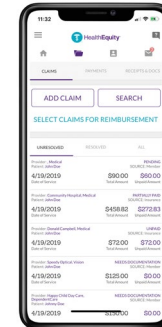
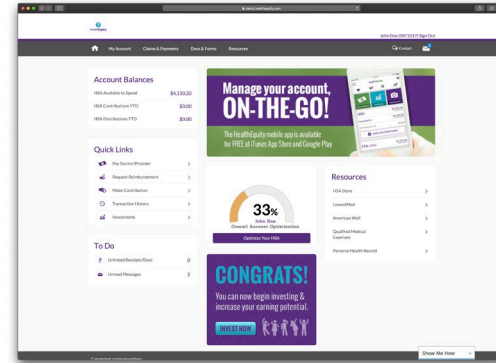
How to pay using your HSA

- Pay using your HealthEquity debit card¹
- Pay the provider directly through the HealthEquity member portal
- Pay out-of-pocket and reimburse yourself with tax-free HSA dollars



How to manage your claims

- Your medical, dental, vision and prescription claims will appear in the HealthEquity member portal after your insurance has processed them
- You can manually upload your claims to the HealthEquity member portal
- Your claims and documents stay in your HealthEquity member portal regardless of account balance or activity



The examples used are for illustrative purposes only.



Growing your HSA

Extra fuel for your retirement



HealthEquity®

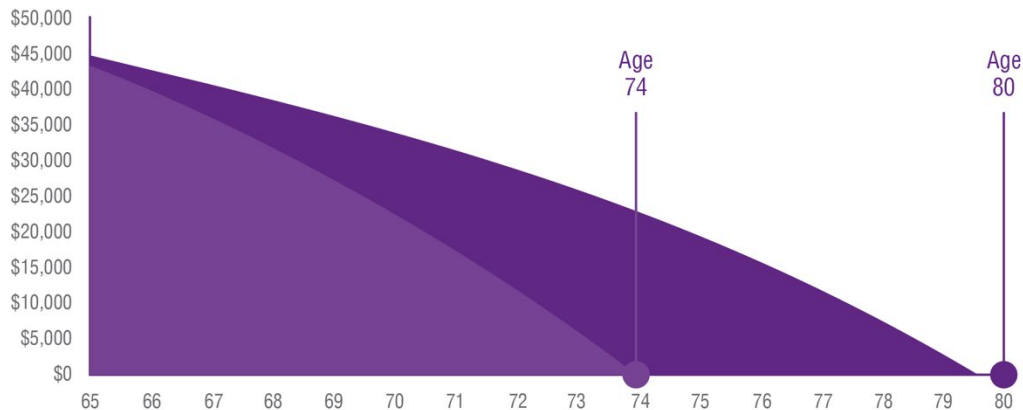
Growing your HSA - extra fuel for your retirement



The average American couple will need

\$301,000¹

to have a 90% chance of covering out-of-pocket expenses in retirement



The HSA has triple tax savings. Because HSA dollars can be spent on qualified medical expenses tax-free, **HSA savings last 66% longer in retirement²**

¹Employee Benefit Research Institute 2018 - https://www.ebri.org/docs/default-source/ebri-issue-brief/ebri_ib_481_savingstargets-16may19.pdf?sfvrsn=56b83f2f_6

²Mercer National Survey of Employer Sponsored Health Plans - 2018: Withdrawing \$5,000/year, starting at 65, from a \$50,000 balance.

Assumes 7% annual return, 25% tax bracket, and that distributions are used for health-care expenses.

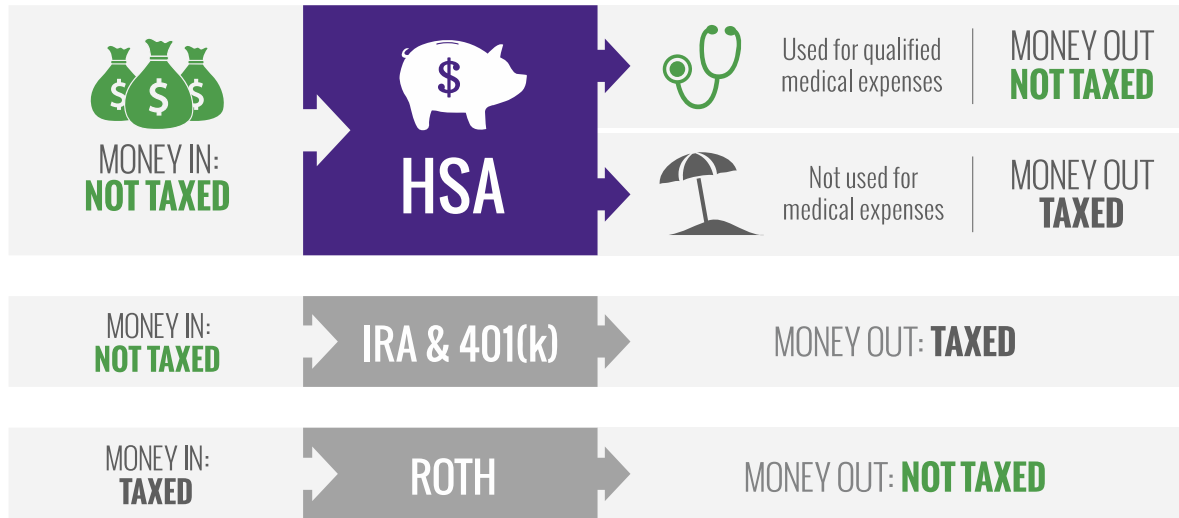
Cover the Medicare gap

Qualified medical expenses not covered by Medicare can always be paid from your HSA tax-free¹

- Prescriptions
- Medical
- Dental
- Vision
- Hearing expenses
- Copays
- Premiums



Retirement tax savings guide



IRA/401k savings (Roth or traditional) are taxed at some point

HSAs are *not* taxed if they are used for qualified medical expenses¹

After 65 no penalty for non-medical (Subject to tax if non-qualified medical expense)²

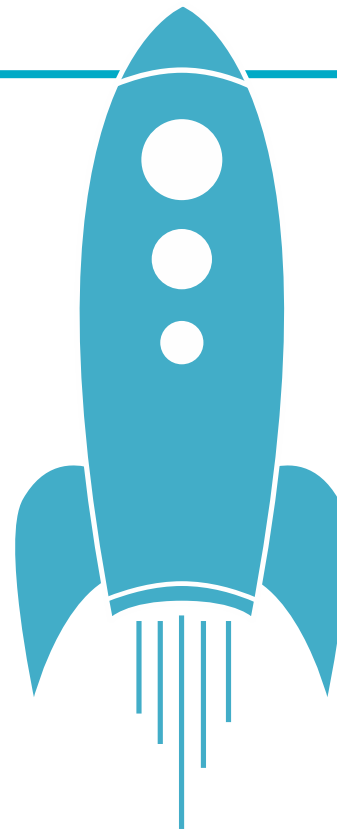
¹HSAs are never taxed at a federal income tax level when used appropriately for qualified medical expenses. Also, most states recognize HSA funds as tax-free with very few exceptions. Please consult a tax advisor regarding your state's specific rules.

²After 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.

Extra fuel for your retirement

- Maximize your tax-free earning potential through investing
- Take the guesswork out of investing with AdvisorTM (Powered by HealthEquity Advisors, LLC)

HealthEquity.com/Advisor



Powerful resources

MAXIMIZING earning POTENTIAL

options for **all** types





HSA balances can grow with tax-free earnings from a choice of:

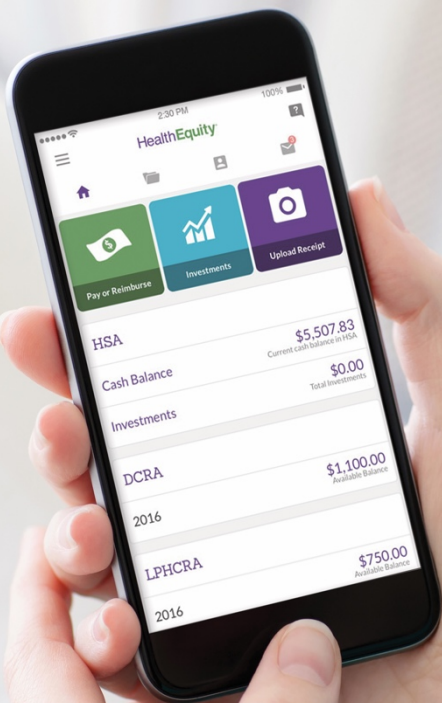
1. Standard cash account¹
2. Low-risk Yield Plus
3. Varying risk mutual funds²

¹Health savings account (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.

²Investments 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.

Investment opportunities

 Powered by: HealthEquity Advisors, LLC		HealthEquity
 Autopilot Full-service fund management based on personal risk profile	 GPS Guidance provided for fund management, implemented by account holder	 Self-driven Manage your own funds



Mobile app

Convenient, powerful tools at your fingertips:

- On-the-go account access
- Keep track of documentation
- Manage transactions
- View claims status

Available for iOS and Android

Accounts must be activated via the HealthEquity website in order to use the mobile app.



Account mentors



- Available around-the-clock, every day
- Helpful support for members
- Based in Salt Lake City

877.713.7680

HealthEquity.com/Adobe



Melissa
HealthEquity team member