

Health Savings Account (HSA)

What is a Health Savings Account?

A Health Savings Account (HSA) is an individually-owned tax-advantaged savings account available to people enrolled in a qualified high-deductible health plan (HDHP). It allows an individual to save for qualified expenses such as medical, dental, vision, hearing and COBRA premiums by contributing pre- or post-tax dollars into an account to use now or at a later date.

Account Features:

- Triple Tax Savings – monies go in tax free, grow tax free and are not taxed when used for qualified expenses
- Member portal and mobile app to track spending and create savings goals
- No restrictions or timeframe when expenses must be reimbursed
- The account is portable, earns interest and stays with the individual from one employer to the next and into retirement
- Self-directed investment options
- Upload and save receipts via the online portal or mobile app by using the camera on a smartphone
- The mobile app's bar code scanner can assist with determining if products are eligible expenses

How it Works:

- Start by determining the annual election amount. Pre-tax deductions will be in equal installments from your payroll.
- Your employer or someone such as a spouse or a parent can contribute to your account as well.
- You can use your HSA dollars to pay for qualified medical expenses now or pay with another source and reimburse yourself in the future. Consider investing those funds to grow your financial wellness.
- Check account information by accessing the member website, mobile app or contacting our client service center.
- If you have more than one type of account (HSA, DCFSA, LPFSA, or Commuter), the Pinnacle | Health & Benefits debit card is "smart" and knows which account to pull from for each transaction.

IRS HDHP Requirements and HSA Contribution Limits

Minimum HDHP Deductible	2023	2024
Individual Coverage	\$1,500	\$1,600
Family Coverage	\$3,000	\$3,200
Maximum HDHP Out-of-Pocket	2023	2024
Individual Coverage	\$7,500	\$8,050
Family Coverage	\$15,000	\$16,100
Maximum HSA Contribution	2023	2024
Individual Coverage	\$3,850	\$4,150
Family Coverage	\$7,750	\$8,300
Catch up Contribution		
Individuals 55 or older covered by an HSA-qualified HDHP and not enrolled in Medicare	\$1,000 per person	

* Clients selecting the HSA Investment Account are urged to carefully weigh the advantages and disadvantages of investing HSA funds in the Investment Options discussed above versus holding them in their Pinnacle Health Savings Account. Investors should carefully read the prospectus from each mutual fund selected before investing. There are no guarantees that the Investment will make money. Additional contributions above and beyond the yearly maximum HSA contributions cannot be made to an HSA account to replace any losses that result from investing. Investments made using the Pinnacle Bank Investment HSA are not deposits of or guaranteed by Pinnacle Bank, are not insured by the FDIC and may lose value. Please keep these factors in mind when considering this option.

