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Health Savings Account: Save on healthcare

One University System of Georgia (USG) healthcare plan — the **Consumer Choice HSA plan** — offers unique access to a triple tax-advantaged Health Savings Account (HSA).

With the Consumer Choice HSA plan, you can visit any provider you choose, both in- and out-of-network. And preventive care is still 100% covered. However, the deductible you pay before the plan starts sharing the cost of additional services is higher than for other healthcare options.

So, to help you manage the higher deductible for the Consumer Choice HSA plan, USG will match your payroll-deducted contributions dollar-for-dollar:

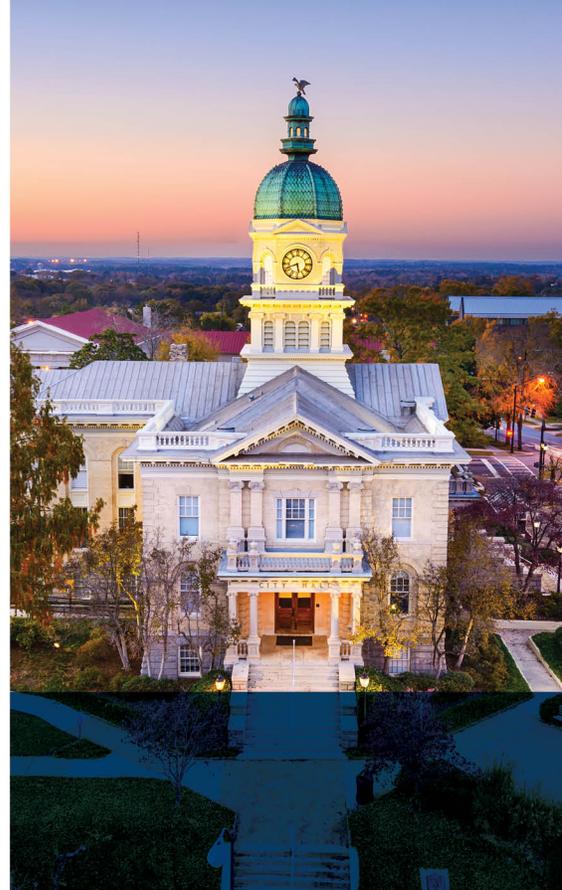
- \$375 USG matching funds for individual coverage.
- \$750 USG matching funds for coverage for you and your dependents.

You can also make your own pre-tax contributions, up to IRS limits. (See page 2.)

Unlike with a Flexible Spending Account, the account balance in your HSA rolls over from year to year. And, the HSA is always yours to keep — even if you switch healthcare plans or seek other employment.

How much can you contribute to an HSA?

See the next page for details.



TRIPLE TAX ADVANTAGE

The Consumer Choice HSA plan allows you to save on taxes three ways:

1. Any payroll contributions you make to your HSA (in addition to what USG contributes on your behalf) go in before taxes are withheld, which reduces your taxable income
2. The money you withdraw — today, tomorrow or in the future — to pay for eligible healthcare expenses is not subject to taxes.
3. Your earnings on interest earned on your HSA are also tax-free.



How much can you contribute to an HSA?

The IRS allows annual pre-tax contributions, including USG's contribution, to reach up to:

- **\$3,400** if you choose coverage for yourself (\$3,025 of your contributions, plus \$375 in USG contributions)
- **\$6,750** if you choose to cover yourself and your dependents (\$6,000 of your contributions, plus \$750 in USG contributions)
- An additional \$1,000 if you are age 55 or over, as an annual catch-up contribution

Remember to consider the USG match as part of your total annual contribution amount if you plan to contribute the maximum. This will ensure that you are not over-contributing.

With an HSA, consider a Limited Purpose FSA

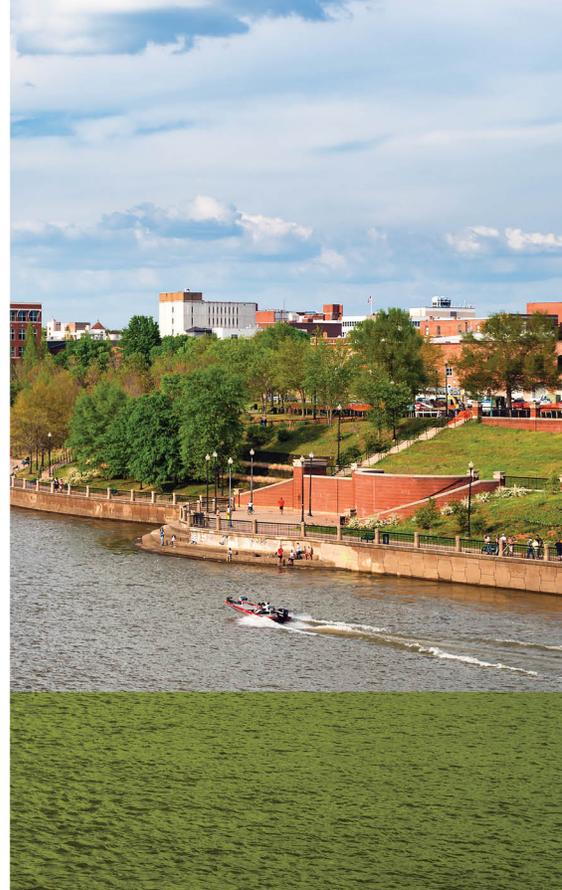
If you enroll in an HSA, you can also make pre-tax contributions to a Limited Purpose FSA — up to \$2,550 for the calendar year.

When you participate in an HSA, you already have triple tax advantages for qualified expenses, so the IRS limits your reimbursement from your Limited Purpose FSA to vision and dental expenses only.

When might an LPFSA be useful?

- If you contribute the annual maximum to your HSA and you would like to take advantage of additional tax savings specifically for your anticipated vision and dental expenses
- If you anticipate dental or vision expenses to occur early in the calendar year before your HSA has an available balance

Plan carefully! The FSA is a “use it or lose it” account.



FIND OUT MORE

Contact Optum Customer Service

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