

HEALTH SAVINGS ACCOUNT

Take Control of Your Healthcare Costs



What is an HSA?

A Health Savings Account (HSA) is a tax-advantage account that offers triple tax benefits empowering you to prepare for and manage healthcare costs.

As a compliment to your retirement plan, HSA's help you prepare for the \$285,000 or more you will need for retirement medical expenses.

HSA's can also be used to pay tax-free today for qualified medical expenses – from doctors' visits, prescriptions, deductibles, as well as dental and vision expenses.

Who is Eligible to have an HSA?

In order to qualify for an HSA, you must be an adult who meets the following qualifications:

- Have coverage under an HSA-qualified, high deductible health plan (HDHP)
- Have no other health insurance plan (this exclusion does not apply to certain other types of insurance, such as dental, vision, disability or long-term care coverage)
- Not enrolled in Medicare
- Cannot be claimed as a dependent on someone else's tax return

HSA's compared to IRA, 401K & FSA:

As a compliment to your retirement plan, HSA's offer flexibility compared to an IRA, 401K or FSA account.

- Unlike an IRA or 401K, you are never taxed on funds withdrawn for qualified medical expenses
- Unlike an IRA, you can access the funds in your HSA at any time; and there is no forced distribution
- Unlike a Flex Spending Account (FSA), the funds roll over year after year, allowing you the ability to build a large tax-free savings

Whose qualified medical expenses can an HSA cover?

The money you contribute to your HSA is tax-free and can be used to pay for qualified medical expenses for:

- You, the account owner, and primary on the insurance
- Your spouse, even if not covered by a HDHP
- Your tax dependents, even if not covered by a HDHP

Convenient payment options

With a swipe of your Inland Bank Visa[®] HSA debit card, you can pay for prescriptions, doctor's visits, dental expenses, hearing aids, eyeglasses, and more.

Why have an HSA?

Security – HSA can provide a savings buffer for unexpected or high medical bills

Affordability – In most cases, you can lower your monthly premiums when you switch to health insurance coverage with a higher deductible, and these HDHPs can be paired with an HSA.

Flexibility – You can use your HSA to pay for current medical bills, including your deductible and expenses your insurance may not cover. Or you can save your funds for future medical expenses such as:

- Medicare Part A, B, & D Premiums
- Long-term care expense and insurance
- Health insurance or medical expenses if unemployed

Savings – you can save the money in your HSA for future medical expenses, all while your account grows through tax-deferred investment earning

Tax Savings – HSA's provide triple-tax savings:

- Pre-tax deductions from payroll, or tax deduction for contributions made outside of payroll
- Tax-free earnings: interest, and investments
- Tax-free withdrawals for qualified medical expenses

Control – You make the decisions regarding:

- How much money you put in the account
- When to make contributions to the account
- Whether to save for future expenses or pay current medical expenses
- Which expenses to pay for from the account
- How to invest the money in the account

Portability – HSA's are completely portable, meaning you keep your HSA even if:

- Change jobs
- Change your medical coverage
- Become unemployed
- Move to another state

Ownership – funds remain in the account from year to year, just like an IRA. There are no "use it or lose it" rules for HSA's, making it a great tool to save money for future medical bills.

HSA Account Details
Annual Contribution Limits
Qualified Medical Expenses

Inland Bank Health Savings Account

Feature	HSA Advantage ¹
Minimum balance to open	\$100 ²
Monthly Service Charge	\$0.00
Minimum Balance To Avoid Service Charge	N/A
Balance Threshold for Investments ³	\$250 (funds in excess of \$250 can be invested with a select group of mutual funds)
Earns Interest	Yes
Interest Compounding frequency	Monthly
Minimum balance to earn interest	\$.01
Monthly Service Charge for Optimal Check Imaging	\$0

1 - No bank fees associated with the set up or monthly maintenance of the HSA account. Please see personal fee schedule for any ancillary fees that may be associated with your account. 2 - Inland HSA will work with Employer Groups who are using payroll contributions for employee accounts. 3. Funds in excess of \$250 can be transferred to a select group of mutual funds. Participation in the Health Savings Account (HSA) investment options is voluntary and requires a separate agreement with myHSAinvestments. Neither Inland Bank and Trust nor its subsidiaries (collectively "Inland Bank") are parties to that agreement nor are they affiliated with myHSAinvestment. Investors should carefully read the Fund prospectus, which includes information on the Fund's investment objectives, risk, as well as charges and expenses along with other information, for each Fund before investing or sending money. Once you transfer funds to your HSA ADVANTAGE investment account, they become subject to your agreement with myHSAinvestments. Funds in the investment portion of your HSA ADVANTAGE account are not FDIC insured, May Lose Value and are Not Bank Guaranteed. Inland Bank is not a registered investment advisor nor is Inland Bank acting in the capacity of a registered investment advisor with respect to the offering of HSA investment options. Under no circumstances is Inland Bank offering any of the HSA investment options and makes no representations with respect to the investment options offered. Inland Bank disclaims any and all liability, contingent or otherwise, for the performance of the HSA investment options. Please see your financial advisor for personal investment advice

HSA Annual Contribution Limits

Each year the IRS releases the contribution maximum allowed in an HSA for the calendar year. Contribution maximums are determined by the health insurance coverage level: Individual or Family.

Health Insurance Coverage Level	2019	2020
Individual	\$3,500	\$3,550
Family	\$7,000	\$7,100

*Catch-Up Contribution: Individuals 55 or older are eligible to make an additional \$1,000 catch-up each calendar year

Qualified Medical Expenses

The list below provided by irs.gov is not all-inclusive; additional expenses may qualify, and the items listed below are subject to change in accordance with IRS regulations. For more information or clarification on individual list items, refer to Publication 502, visit irs.gov or consult a tax professional.

- Acupuncture
- Alcoholism
- Ambulance
- Artificial Limb/Teeth
- Birth Control Pills
- Blood Pressure Monitoring Device
- Breast Pumps & Related Supplies
- Braille Books & Magazines
- Chiropractic Care
- COBRA Premiums (Post tax only)
- Contact Lenses
- Dental Treatment
- Dentures
- Diagnostic Services
- Drug Addiction Treatment
- Eye Exam
- Eyeglasses and Reading Glasses
- Eye Surgery
- Family Planning Items
- Fertility Treatments
- Flu Shot
- Guide Dog or other Service Animal
- Hearing Aids
- Hospital Services
- Home Care
- Immunization
- Insulin and Diabetic Supplies
- Laboratory Fees
- Laser Eye Surgery
- Long-Term Care Premiums or expenses (Post tax)
- Medical Testing Devices
- Menstrual Care Products
- Nursing Services
- Obstetrical Expenses
- Orthodontia (not for cosmetic reasons)
- Operations
- Optometrist
- Oxygen
- Over-the-counter (OTC) treatments containing medicine – cold treatments, ointments, pain relievers, stomach remedies, etc.
- OTC treatments without medicine – bandages, wraps, etc.
- Physical Exam
- Prescription Drugs
- Psychiatric Care
- Retiree (post-65) medical insurance premiums
- Surgery
- Wheelchair, walkers, crutches and canes

Getting started is easy

Once you've enrolled in an HSA-qualified health plan, it's easy to set up your Inland Bank Health Savings Account. You can open your account online 24/7 at inlandbank.com. Shortly after a completed HSA application is received, you will receive a Secure Email with your account number, and instructions on how to set up Online Banking. Within 7-14 days of receiving the Secure Email you'll receive your HSA debit card in the mail, with instructions for using the card.

How can we help?

To learn more about maximizing the value of your HSA, submitting an application, or if you have questions about your HSA, please email HSA@inlandbank.com or call us at 1.877.908.6555