

# Use a Health Savings Account to Save for Future Expenses



State Health Plan Savings Plan members can contribute to a Health Savings Account, or HSA. An HSA helps you get the most out of your health plan by reducing your taxes while saving for future medical expenses. An HSA is essential to help you prepare for your health expenses.

- **Carry over all funds from one year to the next.** You don't have to spend the funds in the year you deposit them.
- **Keep your account.** The money in your account belongs to you. If you leave your job or retire, you can take the account with you and continue to use it for qualified expenses.
- **No limit to how much you can save.** While there is an annual contribution limit, there's no limit to how much you can accumulate in your account.
- **Invest your savings.** You can invest your funds once your account balance reaches \$1,000 to earn investment income tax-free.
- **Make payments online.** Use the Online Bill Pay feature to pay your medical bills or reimburse yourself.
- **Pay for eligible healthcare items with your debit card.** Use your HSA debit card for transactions in-store, online or at your doctor.

## HSA limitations

- You cannot be covered by any other health plan, including Medicare or TRICARE.
- No one else can claim you as a dependent on their income tax return.

- You cannot use your HSA funds to pay premiums.
- You have not received Veterans Administration (VA) benefits within the past three months.

## 2022 Contribution limits

Your health coverage level determines your contribution limit:

- \$3,650 for self-only coverage;
- \$7,300 for family coverage; and
- Additional \$1,000 catch-up contributions for members ages 55 and older.

## Limited-use Medical Spending Account

If you have an HSA, you can enroll in a Limited-use Medical Spending Account (MSA) to pay for dental and vision care expenses. Doing so allows you to save your HSA funds for future medical expenses.

## How to enroll

To contribute money pretax through payroll deduction, you must enroll in an HSA through MyBenefits ([mybenefits.sc.gov](https://mybenefits.sc.gov)). Follow the link during the enrollment process to open your HSA bank account or visit [schsa.centralbank.net](https://schsa.centralbank.net). To complete your HSA enrollment, you must open a bank account with Central Bank and enter a validation code in MyBenefits.

ASIFlex/HSA Central were awarded the contract to administer HSAs effective January 1, 2022. In March 2022, HSAs will move to the HSA Central platform, which will be the new hub for all things related to HSAs. Be on the lookout for more information about this upgrade in early 2022 if you participate in an HSA.