

Make a smart investment in a Health Savings Account (HSA)



The HSA for Life[®]
Health Savings Account

Consider an HSA

If you enroll in an HSA-eligible health plan, you should consider opening an HSA. With an HSA, you gain more control over how your health care dollars are spent because contributions, interest and withdrawals for eligible health care expenses are all tax-advantaged. And your savings can be used to pay for eligible health care expenses today, tomorrow, next year - for your life.

Here's how your savings add up¹

- Pre-tax payroll contributions²
- Tax-free growth
- Tax-free withdrawals for qualified health care expenses



An investment in your health and future

- Once your balance reaches \$1,000 you may choose to invest any portion above this amount in select mutual funds.*
- Unused funds roll over year after year.
- If you change jobs, your account goes with you.
- After age 65, or if you become disabled,³ you can use the funds for whatever you choose, penalty-free.⁴
- You can view balances and recent activity online.

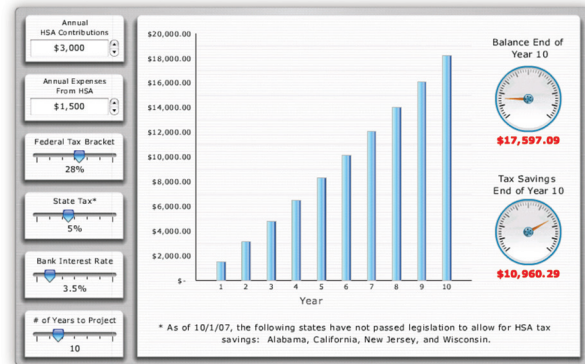
Use your HSA Visa[®] debit card that comes with your account to pay for qualified expenses

- Doctors' office visits and annual physicals
- Prescribed health care products
- Preventive dental care, orthodontia, eyeglasses, contact lenses and laser eye surgery
- Copayments, coinsurance and deductibles



Learn more about how you can save

Visit bankofamerica.com/benefitslogin and check out the many **Tools and Resources** like the **HSA Balance and Tax Savings Calculator** shown below.



To find out more:

Contact Noelle Lundberg; MGIS Senior Sales Executive at: **1.800.969.6447, ext. 131 or noelle.lundberg@mgis.com**

*Investments in mutual funds:

ARE NOT FDIC INSURED	ARE NOT BANK ISSUED OR GUARANTEED	MAY LOSE VALUE
----------------------	-----------------------------------	----------------

¹Bank of America makes available The HSA for Life that is intended to qualify as a Health Savings Account as set forth in the Internal Revenue Code, Section 223. However, you are solely responsible for ensuring that you satisfy the Health Savings Account eligibility requirements set forth in Section 223. If you establish a Health Savings Account and you are not otherwise eligible, you will be subject to adverse tax consequences. We recommend that you contact qualified tax or legal counsel before establishing a Health Savings Account. These conditions are subject to change. For more information, go to www.treas.gov/offices/public-affairs/hsa. ²Amounts are subject to cost-of-living adjustments. ³The definition of "disability" as defined in the Internal Revenue Code, Section 223. ⁴In these circumstances, withdrawals are not subject to the 20% excise tax. However, withdrawals (excluding those to pay for qualified health care expenses) may be included in your gross income and subject to income tax.

Frequently Asked Questions



The HSA for Life[®]
Health Savings Account

1. How can contributing to an HSA help me reduce my health care costs?

An HSA can be used to pay for your eligible medical expenses on a tax-free basis, helping to reduce your total health care cost. Your unused HSA funds roll over from year to year, so you can also pay for your future eligible expenses on a tax-free basis. Because any contributions you make from your paycheck are made before tax is applied, your contributions also save you money by reducing your taxable income.

2. Who can contribute to my HSA?

You (and someone on your behalf, such as your employer) can contribute to your account, up to the statutory limit set by the Internal Revenue Service (IRS).

If you are or will be age 55 or over during the calendar year, you may also make a “catch-up” HSA contribution of an additional \$1,000 in 2011 and thereafter. Annual contributions, minimum HSA-eligible health plan deductibles and out-of-pocket maximums are all adjusted annually for inflation and set by the IRS.



3. Can I make multiple and/or lumpsum contributions to my account?

Yes, as long as your annual contributions (combined with those of your employer) do not exceed the IRS-defined limits.

4. How do I access funds from my HSA?

Once you enroll in a Bank of America HSA, you will receive a Visa[®] debit card to access the funds in your account. Present your card at the doctor's office, pharmacy or other merchant or service provider to pay for eligible health care expenses. Your card makes it easier for you to manage your health care expenses, which means you have less claims paperwork and fewer billing hassles.

5. What expenses are eligible for tax-free reimbursement from an HSA?

The funds you withdraw from your HSA aren't subject to federal tax as long as they are used to pay for your own or your dependents' eligible health care expenses. Eligible expenses include the costs for health care providers like physicians, surgeons and specialists, and materials like eyeglasses, contact lenses, prescription drugs and prescribed over-the-counter drugs or medicine.

6. Can I use money from my HSA to pay for per-paycheck costs for the dental plan?

No. Eligible medical expenses do not include per-paycheck costs for dental or vision care. However, COBRA continuation coverage costs and any health plan coverage you pay for while receiving unemployment compensation are allowed. Also, if you're enrolled in Medicare and are age 65 or older, you can use your HSA funds to pay for Medicare premiums and out-of-pocket expenses. You can also use the money to pay for your share of the per-paycheck cost of your HSA-eligible health plan and for eligible long-term care insurance premiums.

7. What happens if I don't have enough funds in my HSA at the time I receive medical care or need to purchase eligible medical items?

If you don't have enough funds in your HSA to pay for a qualified medical expense, pay for the product or service out-of-pocket. Once additional funds have accumulated in your account, such as after a paycheck contribution, you can request reimbursement from your HSA by entering an online claim. In fact, you can request reimbursement for an expense you paid for out-of-pocket even years later, so long as your HSA was open at the time of the expense, and you have a receipt establishing the expense as eligible.

8. What happens if I don't use all the money in the HSA by the end of the year?

No problem. The money just rolls over for use in future years, while continuing to earn interest tax-free.

9. What if I leave my employer? What happens to the money in my HSA?

The money stays with you. It's your money for the rest of your life. You can continue to use the account to pay for eligible health care expenses. However, the law states that you can only make new contributions to the account if you are enrolled in an HSA-eligible health plan.

10. How do I manage and monitor the funds in my HSA?

Comprehensive online access to your HSA is available anytime through the Bank of America Online Portal so you can:

- View your HSA including deposit, claim activity and payment history
- Schedule personal deposits (outside of payroll contributions) to your HSA
- Enter claims for electronic or check reimbursement for your out-of-pocket expenses
- Enter claims to pay a provider directly from your HSA
- Invest your HSA deposits once your balance reaches \$1,000*
- Request an HSA Visa debit card for your spouse or dependents