

Health savings account

Smart savings for you and your employees

Help support your employees’ financial well-being by offering them a Humana Access® health savings account (HSA)* to set aside pretax dollars to use for eligible healthcare expenses. You can save an average of 7.65% on payroll taxes for every dollar they contribute.†



What you need to know about HSAs

Members must be enrolled in Humana’s Savings HSA plan, an IRS-qualified high-deductible health plan, to enroll in a health savings account.

- Qualifying members can enroll in an HSA at any time during the plan year.
- No use it or lose it rule—members save what they don’t spend.
- Members can choose to invest savings for growth, just like a 401(k).
- The account stays with the member, even if they change jobs.



Improved financial well-being for you and your employees

- **Employer savings:** An HSA decreases your total payroll costs, reducing the amount of taxes you pay. You save on every dollar your employees contribute.
- **Employee savings:** Employees can use tax-free money for eligible healthcare expenses, giving them more money to cover their out-of-pocket healthcare expenses and supporting their financial well-being.
- **Easy to access:** The Humana Access® Mastercard® allows employees to use their card like a credit or debit card to pay for eligible expenses.
- **Less work for you:** Humana’s HSA administration is seamlessly coordinated with one Humana Access card for all your spending accounts.
- **Funds belong to the employee:** They keep their HSA account if they leave the company or retire.
- **Flexibility on contributions:** Employees can adjust contribution amounts at any time.



Employer tax savings example

ACME Co. has 50 employees and annual payroll costs of \$1,250,000. At enrollment, 20 employees chose the healthcare HSA, with an average contribution of \$1,000. So the total value of HSA contributions is \$20,000.

This example is intended to demonstrate a typical tax savings based on 7.65% FICA taxes only. FICA savings of 7.65% may not apply to all participants. Some employees’ FICA savings rate may be applicable to Medicare (1.45%). Your specific state may allow additional payroll tax savings.

Example of annual tax savings	With an HSA	Without an HSA
Annual payroll	\$1,250,000	\$1,250,000
Total of employees’ pretax contributions	-\$20,000	-\$0
Taxable payroll	\$1,230,000	\$1,250,000
FICA taxes	\$94,095	\$95,625
Employer tax savings	\$1,530	\$0





Spending accounts benefit you and your bottom line

- Reduce your FICA and federal unemployment tax liability.
- Have more control over healthcare expenses because high-deductible health plans typically have lower premiums than other plan types.
- Contribute as much as you wish to employees' HSAs, tax-free, within IRS guidelines and deduct employee contributions.
- Handle employee contributions are made through pretax paycheck deductions.



Spending accounts benefit your employees

Employer- and employee-funded spending accounts help employees manage their out-of-pocket healthcare expenses. Your employees can look forward to:

- The opportunity to save for healthcare costs both now and into retirement
- Educational resources to maximize their accounts
- Increased engagement in the management of their healthcare[†]
- More value for their dollars by using pretax funds to pay for IRS-qualified medical expense
 - Money goes in tax-free
 - Savings grow tax-free



Humana Access debit card makes access easy for members

The key component to our healthcare HSA is the Humana Access card. Here are some of the reasons why employees find the card a welcome addition to their benefits package:



- Easy, convenient way to use spending account funds—one debit card for all accounts
- No need to pay out of pocket and then wait for reimbursement
- Ability to use the card at most health-related locations like doctors' offices and pharmacies
- Member portal
 - Use one website to manage all spending accounts
 - Access from any device—laptop, tablet or phone
 - Has built-in fraud protection feature



Easy integration with other spending accounts

You can save even more money and pair the health savings account with other spending accounts, at no additional cost.

- Limited purpose flexible spending account (LPFSA)
- Dependent care flexible spending account (DCFSA)



Pairing a limited purpose FSA with an HSA helps employees set aside money specifically for dental and visions expenses, allowing them to maximize tax savings while preserving HSA funds for growth.

* HSAs are only available with the Humana Savings HSA, an IRS-qualified high-deductible health plan.

† Based on average FICA tax rate of 7.65%.