

# Be prepared for unexpected healthcare costs.

**Liberty Bank Health Savings Accounts (HSA)** allow you (or anyone, including your employer) to put aside funds (up to annual limits set by the IRS) to pay your future healthcare expenses and to take a tax deduction for these contributions. When you, your spouse or covered dependent(s) have a qualified medical expense, simply use the funds in your account to cover such things as office visits, prescriptions, dental and vision care.\*

## See if you're eligible.

If you can answer yes to each of the following statements\*, you are a candidate for an HSA

▪ I am covered by an HSA-eligible HDHP	Y	N
▪ I am NOT covered by another health plan	Y	N
▪ I am NOT enrolled in Medicare	Y	N
▪ I am NOT claimed as someone's dependent	Y	N

## Plenty of benefits for the cost-conscious!

As long as you follow the IRS's rules\*, an HSA is a great way to manage healthcare costs with benefits like:

- Tax-deductible contributions
- Tax-deferred earnings
- Tax-free distributions
- Quick easy access to funds
- Yours wherever you go
- Balance always carries forward, so great source of additional retirement income

## All the account features you expect!

When you come right down to it, an HSA is simply a checking account. Check out all these great features:

- No minimum balance required to open
- Competitive interest rates
- No annual or monthly fee
- Free HSA Debit MasterCard® at account opening
- Free Digital banking, bill pay, mobile banking, and eStatements
- Easy online enrollment



## Open an HSA in minutes!

Visit: [liberty-bank.com/HSA](http://liberty-bank.com/HSA)

### New account holder checklist:

- ⑤ Open your HSA account
- ⑤ Enroll in digital banking at [liberty-bank.com](http://liberty-bank.com)
- ⑤ Enroll for eStatements
- ⑤ Download the Liberty Bank Mobile App.
- ⑤ Activate your Liberty Bank HSA Debit MasterCard® upon receipt
- ⑤ Sign up for payroll deduction into your HSA, if it's available at your workplace.

So you have it handy, Liberty Bank's routing number is 211170282 (you'll need your account number too).

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 ONE  
HEALTH

# Frequently asked questions

HSA Contribution Limits				
Year	Self-only Coverage	If age 55+	Family Coverage	If age 55+
2024	\$4,150	\$5,150	\$8,300	\$9,300
2025	\$4,300	\$5,300	\$8,550	\$9,550

**How do I make contributions?** You may make an HSA contribution by visiting any Liberty Bank branch (visit [liberty-bank.com/locations](http://liberty-bank.com/locations).) If you would like your employer to make contributions via payroll deduction, please supply your payroll department with your HSA account number and Liberty Bank's routing number: 211170282.

**What can I contribute to my HSA?** Money in the form of cash or a check; via electronic funds transfer from another account; or direct deposit by your employer through payroll deduction.

**What if I contribute too much to my HSA?** You must remove the excess contribution (plus interest) by your tax filing deadline. If you do not, you will pay a 6% penalty on the excess amount each year until it is removed.

**Can I contribute after I enroll in Medicare?** No. Individuals who enroll in Medicare are no longer eligible to make HSA contributions. However, if you are age 65 or older and not enrolled in Medicare, you can make contributions up until the month you enroll for Medicare.

**Who can make contributions to my account?** Anyone. However, in most cases contributors are the account owner, the account owner's spouse, and the account owner's employer (either via payroll deduction, or an outright contribution). The total amount from all sources may not exceed your annual contribution limit.

**How much interest do my contributions earn?** Interest paid is tiered, meaning the greater the account balance, the greater the amount of interest paid. For the latest rates visit: [liberty-bank.com/personal/banking/hsa](http://liberty-bank.com/personal/banking/hsa).

**Do I pay taxes on the interest I earn?** No, as long as these funds are used to cover qualified medical expenses.

**Once I open an account, am I required to make contributions?** No, you are not required to make regular contributions.

**Can I fund the HSA account with money from my Traditional or Roth IRA?** Yes, you can make a once-in-a-lifetime trustee-to-trustee transfer of funds from your Traditional or Roth IRA to your HSA. The amount you contribute cannot exceed your annual contribution limit (taking into account amounts you may already have contributed).

**Can I transfer funds from another HSA account into my HSA?** Yes. You may directly transfer all or a portion of another HSA into your new one. The direct transfer of assets from one HSA to another is not subject to the annual contribution limits, and there is no limit on the number of direct transfers you may make during any year.

## Distributions

**How do I make payments to merchants and providers?** You may use your HSA Debit Mastercard® to pay for qualified medical expenses. If you have recurring expenses, you may wish to set up the payee in Bill Pay and pay them electronically.

**Do I pay taxes on funds I take out of my HSA?** No, as long as these funds are used to cover qualified medical expenses.

**What can I use my HSA funds for?** Use it for qualified medical expenses, which generally include most medical, dental and vision care costs. For a complete list of qualified medical expenses, please go to <https://www.irs.gov/pub/irs-pdf/p502.pdf>.

**Can other family members spend money in the account?** Yes. HSA funds can be used to pay or reimburse qualified medical expenses of the owner, his or her spouse, and any tax dependents.

**Is there a deadline for reimbursing current year healthcare expenses?** No. As long as the medical expenses were incurred after you established the HSA, there is no time limit on when you must take a distribution to reimburse qualified medical expenses.

**Will I lose any of my contributions if I do not use them by year-end?** No. Unlike a flexible spending account, you are not required to use up your contributions by year end. This money is available to you anytime for covered expenses.

**What happens to my HSA if I die?** You may name an account beneficiary when you open your account. If your beneficiary is your spouse, the account will carry forward as an HSA of your surviving spouse. If your beneficiary is not your spouse, the account will cease to be an HSA and the funds will be taxable to your beneficiary.

## Record-keeping

### How do I pay with HSA funds?

1. Present your HSA debit card
2. Use digital banking bill pay
3. Pay out of pocket and then pay yourself back from your HSA account (Just be sure to retain receipts for tax-filing purposes)
4. Write an HSA check

**How often will I get an account statement?** You will receive a monthly statement showing your account balance and any activity.

**Do you provide year-end tax reporting?** Liberty Bank will provide you with IRS form 5498SA (annual contributions made), and IRS form 1099SA (annual distributions taken). You will receive your 1099SA by January 31; however, since you can make contributions up to the next year's tax-filing deadline, you will not receive your 5498SA until sometime in May.

**What happens if I need to prove how I spent the money in my account?** It is the account owner's sole responsibility to keep receipts and records of monies used for qualified medical expenses in case of audit.