



High-Deductible Health Plans and the Health Savings Account

How they work together to save you money

What Is a High-Deductible Health Plan (HDHP)?

The Value Plan and Premier Plan are both HDHPs featuring low premiums and a high deductible. HDHPs let you pay less money from your paycheck for coverage, but you'll pay the full cost of medical services until you reach your deductible. That's where the Health Savings Account (HSA) can help you save.

What Is an HSA?

An HSA is a tax-advantaged medical savings account available to taxpayers in the United States who are enrolled in a high-deductible health plan. The funds contributed to an account are not subject to federal income tax at the time of deposit, and if used for qualified health care expenses, are never taxed.

How Do an HDHP and an HSA Work Together?

You can use money from your HSA to help pay for the higher deductible of the Value or Premier Plan and other qualified health care expenses. So, you benefit from a lower monthly premium, and you can use tax-free money to help you reach your deductible.

Refer to [IRS Publication 502](#) for a list of the qualified health care expenses.

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**Save on health care.
Stay in the Banner
Health Network.**

Use fewer HSA dollars while you're working toward your deductible when you get care in the Banner Health Network. You will get more for your HSA money when you use Banner physicians, pharmacies, laboratories and other services.

How Much Should I Contribute to an HSA?

The IRS regulates how much you can contribute to your HSA every year. These limits include any money Banner deposits into your HSA on the Premier Plan.

	INDIVIDUAL	FAMILY
2024 Maximum Contribution	\$4,150	\$8,300
Annual Banner Health Contribution (Premier Plan Participants Only)	\$450	\$900
Catch-up Contribution (55+)	\$1,000	\$1,000

Banner Health's contribution does count toward annual maximum.

Here are some suggestions on what amount to contribute to an HSA:

- » At least the amount of your deductible, so you're ready for those expenses you would have to pay out of pocket.
- » The amount you're saving on your premiums.
- » The maximum allowed by the IRS to benefit from the tax advantages.
- » Don't forget about non-covered dental and vision expenses. HSA contributions can be used for those services as well.

More Ways to Grow Your Savings

Your contributions are tax-deductible, so they will reduce the amount of money you pay in federal income taxes. Then your HSA will earn tax-free interest on the balance. When your HSA reaches a certain level (\$1,000), you can invest your money in mutual funds to achieve an even higher rate of growth.

[Health Savings and Spending Accounts](#)

[Medical Plan Options](#)

