

Health Savings Accounts



Optum

A Health Savings Account (HSA) is a personal savings account that you own and can use to pay for qualified out-of-pocket medical, dental or vision expenses. Your contributions to the HSA are taken out of your paycheck and are tax-free. Once you enroll in the HSA, you'll receive a debit card to pay for qualified out-of-pocket eligible expenses. Your HSA can be used to pay for your health care expenses and those of your spouse and dependents, even if they are not covered by the High Deductible Health Plan (HDHP).

How a Health Savings Account (HSA) Works

Eligibility

Anyone who is:

- Covered on Koch's High Deductible Health Plan (HDHP);
- Not covered under another medical plan that is not a High Deductible Health Plan (HDHP);
- Not entitled to Medicare benefits; or
- Not eligible to be claimed on another person's tax return



Your Contributions

- You choose how much to contribute from each paycheck on a pretax basis.
- You can contribute up to the IRS maximum of \$4,150/individual or \$8,300/family.
- You can make an additional "catch-up" contribution of up to \$1,000 per year if you are age 55 or older.
- Your Employee + Employer contributions can't exceed IRS maximums.



Koch Matching Contributions

Koch will be making the below matching contributions on a Weekly basis:

	Weekly	Annual
Employee	up to \$30	\$1,560
Employee + 1	up to \$40	\$2,080



Eligible Expenses

You can use your HSA to pay for medical, dental, vision and prescription drug expenses incurred by you and your eligible family members.

Please note: Funds available for reimbursement are limited to the balance in your HSA.



Using Your Account

Use the debit card linked to your HSA to cover eligible expenses — or pay for expenses out of your own pocket and save your HSA dollars for future health care expenses.



Your HSA is always yours - no matter what

One of the best features of an HSA is that money left over at the end of the year remains in the account so you can use it the following year or at any time in the future. And if you leave the Company or retire, your HSA goes with you.

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The Triple Tax Advantage

HSAs offer three significant tax advantages:

1. You can use your HSA funds to cover qualified medical, dental and vision expenses — tax-free.
2. Unused funds grow and can earn interest over time — tax-free.
3. You can save your HSA dollars to use for your health care when you leave Koch or retire — tax-free.

If you want to pay less per paycheck for health care coverage and save tax-free money for future medical expenses, consider enrolling in the HDHP with HSA.

How a High Deductible Health Plan (HDHP) and a Health Savings Account (HSA) Work Together

Year 1 Example: You enroll in the HDHP with HSA during enrollment	Year 2 Example: You enroll in the HDHP plan again next year
You contribute \$4,150 for a total of \$4,150	\$3,450 rolls over from last year and you contribute \$4,150 for a total of \$7,600
You use the HSA to pay \$700 of eligible expenses	You use the HSA to pay \$1,250 of eligible expenses
You have \$3,450 in the HSA to roll over to next year!	You have \$6,350 in the HSA to roll over to next year!

