



AVIDIA
HEALTH

HEALTH SAVINGS ACCOUNT
EMPLOYEE BROCHURE

AVIDIA HEALTH HSA

At Avidia Health, we believe that helping you prepare for the rising cost of health care is key to helping you develop an effective, comprehensive long-term financial plan. The Avidia Health Savings Account provides the means to save and pay for qualified medical expenses that are incurred after you are actively enrolled in a qualified high deductible health plan (HDHP)*. Plus, an HSA gives you freedom and control.

WHAT IS A HEALTH SAVINGS ACCOUNT?

If you currently have an HDHP, the HSA allows you to save money for current and future qualified medical expenses incurred after the HSA was opened. To maximize your benefits, we encourage you to open your HSA as soon as you are actively enrolled in a qualified HDHP. The HSA works similar to an IRA, in that the money you contribute grows tax-free over time giving you a tax-advantaged way to save for qualified medical expenses.

Important note: *All references to taxes relate to federal taxes; state tax implications may vary by state. Consult with your tax advisor for state tax treatment related to HSAs for the state in which you file taxes.*

ARE YOU ELIGIBLE?

To be eligible for the Avidia Health HSA, you must meet all of the requirements. To determine your eligibility, please see below or go to www.irs.gov to see the IRS Publication 969.

- » You are covered under a qualified HDHP.*
- » You are not covered by another health plan that is not an HDHP.**
- » You are not enrolled for Medicare benefits.
- » You are not eligible to be claimed as a dependent on another individual's tax return.
- » You have HDHP coverage on the first day of the month the account is opened.

*The Internal Revenue Service (IRS) sets annual limits for minimum deductible amounts and maximum out-of-pocket costs for the HDHP to be considered eligible. These limits can be located on the IRS's website, www.irs.gov.

**Certain exceptions may apply.

THE BENEFITS OF A HEALTH SAVINGS ACCOUNT:

- » **Cover deductibles and qualified out-of-pocket expenses:** Account balances can be used to pay for any qualified medical expense incurred after the HSA is opened. Withdrawals used to pay for qualified medical expenses are tax-free.
 - » **Take control:** You determine which qualified expenses will be paid from your HSA, how they will be paid and when.
 - » **No 'use it or lose it' restrictions:** Unlike Flexible Spending Accounts, unused balances can be carried over from year-to-year and continue to grow on a tax-free basis.
 - » **Save on federal income taxes:** The contributions you make are deductible, up to the lesser of the annual insurance deductible or the HSA maximum contribution (including age 55 catch-up contribution), when determining your adjusted gross income. Account balances grow tax-free.
 - » **Use HSA dollars to pay COBRA premiums:** Preserve your liquidity between jobs or during times of unemployment. Special tax-free withdrawals are permitted.
 - » **Purchase long-term care insurance:** Use tax-deferred dollars to plan for long-term needs.
 - » **Supplement retirement income:** Once you enroll in Medicare, you may use HSA balances to pay for out-of-pocket Medicare expenses tax-free, or choose to use HSA balances for non-medical purposes by claiming the amount of the withdrawal as income for tax purposes, penalty-free.
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WHY CHOOSE AN AVIDIA HEALTH HSA ?

It's easy to apply. Go online at www.AvidiaHealth.com to apply or for more information.

It's easy to use. The Avidia Bank HSA works like a checking account. Money can be deposited into your account at any time and easily withdrawn for qualified medical expenses when needed. Use your Avidia Health HSA debit card, Avidia bank online banking with bill payment or personalized HSA checks to make payments for qualified medical expenses.

It's easy to manage your money! Avidia Bank online banking with bill payment allows you to review your balance and transactions conveniently, make account transfers and easily track spending. In addition, Avidia Health MyMedicalShopper* platform is tightly integrated with Avidia Health's HSA member portal and provides access to a full suite of healthcare cost-saving solutions.

It's easy to save money. Receive an Avidia Health HSA debit card, at no cost. Make fee-free payments using Avidia Bank online banking with bill payment or your Avidia Health HSA debit card.

Receive a competitive interest rate that enables your tax-free balances to grow. Earn a better return as your balances grow. Build balances with monthly contributions.

ABOUT AVIDIA HEALTH

Avidia Health is an HSA marketplace leader, offering a no-fee** product that combines services traditionally seen in big-bank financial services with the personal attention provided by smaller financial institutions. Headquartered in Massachusetts, Avidia is an FDIC insured bank with accounts in all 50 states and over one billion dollars in assets and accounts. Avidia offers private label banking and affinity programs, employing a partnership approach to creating HSA solutions with clients' needs in mind.

Avidia Bank has made a significant commitment to provide outstanding service along with the products that will help our customers invest and save for their future. Health Savings Accounts from Avidia Bank can be the key to protecting yourself and your family. A Health Savings Account from Avidia Bank is easy to open and easy to manage. And with Internet Banking and Bill Pay, our customers are in total and secure control at all times.

*Avidia Health HSA holders must register in order to use the MyMedicalShopper service. While most major insurances are integrated, not all insurances may be available for this product at this time. It is recommended to check the list of insurance providers on the Avidia Health website prior to signing up for these services. If you do not see your carrier, please check back at a later time as the list is continually being updated.

**Free of transaction & service fees

NOT ALL HSA PLANS ARE EQUAL.
CHOOSE A PARTNER YOU CAN TRUST.

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