

Health Savings Account HSA



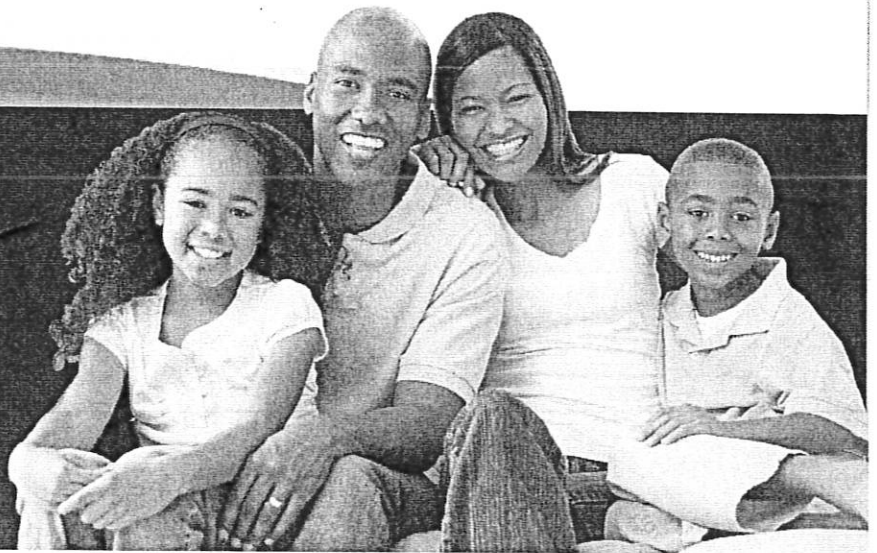
More savings. More choices.
More focus on your health.



It's all possible when you combine the right
health plan with a Health Savings Account (HSA).

HSA[®]**BANK**[®]
National Leader in Health Savings Accounts.

It's easy with HSA Bank.



Start saving more on healthcare.

HSA Bank has teamed up with your employer to create an affordable health coverage option that helps you save on healthcare expenses while protecting your health and finances.

It combines a high-deductible health plan (HDHP) from your insurance provider with a tax-advantaged health savings account (HSA) from HSA Bank. Together, they offer you health, savings and tax advantages that a traditional health plan can't duplicate.



What is an HDHP?

An HDHP, or high-deductible health plan, is a major-medical health insurance plan that has a lower premium than traditional health plans. Your HDHP:

- **Is a major-medical health plan** that is HSA-compatible. That means it can be used with a health savings account from HSA Bank
- **Has a higher annual deductible with lower monthly premiums**, which means you'll have less taken out of your paycheck and more to add to your HSA
- **Covers 100% of preventive care**, including annual physicals, immunizations, well-woman and well-child exams, and more – all without having to meet your deductible
- **Provides coverage for health screenings**, such as blood pressure, cholesterol, diabetes, vision, hearing and more

What is an HSA?

An HSA, or health savings account, is a unique tax-advantaged account that you can use to pay for current or future healthcare expenses. With an HSA, you'll have:

- **A tax-advantaged savings account** that you use to pay for eligible medical expenses as well as deductibles, co-insurance, prescriptions, vision and dental care
- **Unused funds that will roll over year to year.** There's no "use or lose it" penalty
- **Potential to build more savings through investing.** You can choose from a variety of HSA self-directed investment options with no minimum balance required
- **Additional retirement savings.** After age 65, funds can be withdrawn for any purpose without penalty

Investment accounts are not FDIC insured, may lose value and are not a deposit or other obligation of, or guarantee by the bank. Investment losses which are replaced are subject to the annual contribution limits of the HSA.

How do an HDHP and an HSA work together for you?

- While paying lower premiums for your HDHP, you can put those savings into your HSA
- You can use your HSA funds to pay for eligible healthcare expenses until you meet your annual deductible

How can you benefit from tax savings?

An HSA provides triple tax savings by reducing your Federal, State* and FICA taxes. Here's how:

- Contributions to your HSA can be made with pre-tax dollars, which reduces your taxable income
- Any after-tax contributions that you make to your HSA are tax deductible
- HSA funds earn interest tax free and when used for eligible healthcare expenses are also free from tax

*HSA contributions are taxed in AL, CA, NJ. HSA Bank does not provide tax advice. Consult your tax professional for tax-related questions.

Compare and see the HSA Advantage!

Annually, this typical family of four will face these medical expenses:

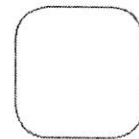
MEDICAL EXPENSES	HDHP WITH HSA PLAN \$4,000 Annual Deductible	TRADITIONAL PLAN \$1,500 Annual Deductible
8 Doctor Visits	\$568	\$200
4 Preventive Care Visits	\$0	\$0
2 Urgent Care Visits	\$254	\$150
1 Outpatient Surgery (Ear Tube Placement)	\$903	\$903
Total Medical Expenses (this is also the annual amount the employee contributes to their HSA)	\$1,725	\$1,253
COST COMPARISON		
Employee's Annual Premium	\$3,076	\$4,072
Total Medical Expenses	\$1,725	\$1,253
Federal Tax Savings	-\$259	\$0
Social Security and Medicare (FICA) Tax Savings	-\$132	\$0
State Tax Savings	-\$69	\$0
Out-of-Pocket Expenses	\$4,341	\$5,325

SAVINGS WITH AN HDHP/HSA PLAN

\$984

You can use the savings to fund your HSA account

This comparison is for illustrative purposes only. Medical services charges were obtained from www.healthcarebluebook.com. Employee's Annual Premium obtained from Kaiser Family Foundation AND Health Research & Educational Trust Employer Health Benefits 2011 Annual Survey. Actual medical costs may vary. Assumes a 15% Federal income tax rate, 7.65% FICA tax rate, 4% State income tax rate. HSA Bank does not provide tax advice. Please consult your tax advisor.



About HSA Bank

When it comes to the benefits of opening a Health Savings Account (HSA) with HSA Bank, healthcare savings is just the beginning! After all, we've been managing HSAs exclusively since they were introduced. And over the years, we've developed a high level of expertise that you can depend on, including:

An exceptional customer service experience: Our priority is helping you understand how to take full advantage of your HSA. Our Client Assistant Center Representatives are dedicated to providing the guidance you need to successfully access, manage, and grow your HSA funds.

Easy contributions and withdrawals: From payroll deductions to scheduled transfers, we make it simple to contribute funds to your HSA. And our HSA Bank Visa® debit card makes it easy to use your HSA to pay for eligible healthcare expenses.

Online account management: Our Internet Banking website gives you fast, easy access to your account 24 hours a day. This means you can conveniently transfer funds, review statements or account balances, access tax documents, and more...whenever you want to.

How to get started!

Contact your employer for enrollment information or visit www.hsabank.com to learn more.

HsaBANK®
National Leader in Health Savings Accounts.

Eligible Medical Expenses

You can use your Health Savings Account (HSA) to pay for a wide range of eligible medical expenses for yourself, your spouse or tax dependents. An eligible medical expense is defined as an expense that pays for healthcare services, equipment, or medications as described by the IRS. Funds used to pay for eligible medical expenses are always tax-free.

HSA funds can be used to reimburse yourself for past medical expenses if the expense was incurred after your HSA was established. While you do not need to submit any receipts to HSA Bank, it is a good idea to save your bills and receipts for tax purposes.

Examples of Eligible Medical Expenses*

Acupuncture	Fertility enhancement (including in-vitro fertilization)	Prenatal care & postnatal treatments
Alcoholism treatment	Gynecologist	Psychiatrist
Ambulance services	Hearing aids and batteries	Psychologist
Artificial limb or prosthesis	Hospital bills	Sterilization
Birth control pills (by prescription)	Insurance Premiums**	Surgery
Chiropractor	Laboratory fees	Telephone or TV equipment to assist the hearing or vision impaired
Childbirth/delivery	Lodging (away from home for outpatient care)	Therapy or counseling
Christian Science Practitioner	Nursing home	Transportation expenses
Convalescent home (for medical treatment only)	Nursing services	Transplants
Doctor's fees	Obstetrician	Vaccines
Dental treatments (including X-rays, braces, dentures, fillings, oral surgery)	Podiatrist	Vision care (including eyeglasses, contact lenses, LASIK surgery)
Dermatologist	Prescription drugs and medicines (Over-the-counter drugs are not eligible medical expenses unless prescribed by a doctor)	Wheelchairs
Diagnostic services		X-rays
Drug addiction therapy		

Contribution Limits

The IRS maximum allowable amounts:

- 2013: \$3,250 for individual coverage and \$6,450 for family coverage
- If you are 55 or older, you can contribute an extra \$1,000 every year.

* This list is not comprehensive. It is provided to you with the understanding that HSA Bank is not engaged in rendering tax advice. The information provided is not intended to be used to avoid federal tax penalties. For more detailed information, please refer to IRS Publication 502 titled, "Medical and Dental Expenses," Catalog Number 150020. Publications can be ordered directly from the IRS by calling 1-800-TAXFORM. If tax advice is required, you should seek the services of a professional.

** Insurance premiums qualify as an eligible medical expense, while continuing coverage under Cobra; for qualified long-term care coverage; coverage while receiving unemployment compensation; for any healthcare coverage for those over age 65 including Medicare (except Medicare supplemental coverage).

For assistance, please contact the Client Assistance Center

☎ (800) 357-6246 Monday – Friday, 7 a.m. – 9 p.m., CT

🌐 www.hsabank.com

HSABANK®
National Leader in Health Savings Accounts.

What Can a Health Savings Account (HSA) Do for You?

What is an HSA?

HSAs work in combination with an HSA-compatible health plan. The HSA allows you to contribute funds on a pre-tax or tax-deductible basis, which you may use to pay for eligible medical expenses.

What are the advantages of an HSA?

- **Funds Rollover Annually**
There is no “use it or lose it” philosophy. If you don’t use it, save it for next year.
- **Tax Advantages**
An HSA provides you triple tax savings: tax deductions when you contribute to your account; tax-free earnings through investment; and, tax-free withdrawals for qualified medical expenses.
- **You Own the Account**
Even if your HSA-compatible coverage ends, you can still use your HSA funds tax-free for eligible medical expenses.
- **Long-term Investment Opportunities**
You can invest your HSA dollars through our investment partners, who offer stocks, bonds and mutual funds. (www.hsabank.com/investments)
Note: Investment accounts are not FDIC insured, may lose value and are not a deposit or other obligation of, or guarantee by the bank. All HSAs with HSA Bank are FDIC insured.
- **You’re in Charge**
You choose when to use your HSA or pay out-of-pocket.

Eligible Medical Expenses

An eligible medical expense is an expense that pays for healthcare services, equipment or medications as described in IRS Publication 502*. In general your HSA can be used for:

- Expenses applied to your health plan deductible
- Dental care services
- Vision care services
- Prescription drugs and medicines
- Certain medical equipment

A list of Qualified Medical Expenses can be found in IRS Publication 502, <http://www.irs.gov/pub/irs-pdf/p502.pdf>.

Online Tools

Try our online calculating tools (www.hsabank.com/calculator), to learn how an HSA will work best with your lifestyle, or to see the potential of your HSA.

- **Is an HSA Right for Me?**
This tool compares HSA-compatible and traditional health plans to help you decide which works best for you.
- **HSA Everyday Tool**
The HSA Everyday tool shows how you can maximize the advantages of an HSA at any stage in life.
- **Future Value Calculator**
The Future Value calculator helps you determine the potential growth and tax savings you can receive with an HSA.



More than 10
million people
are enrolled in
an HSA.

Hsa[®]**BANK**[®]
National Leader in Health Savings Accounts,
A Division of Webster Bank, N.A., Member FDIC

Tax Savings Example

Paycheck without HSA Contribution

Gross Earnings: \$2,000
(taxable income,
net other deductions)

Federal Tax (25%) -\$500
Net Pay \$1,500

Paycheck with HSA Contribution

Gross Earnings: \$2,000
(taxable income,
net other deductions)

HSA Contribution -\$100 (pre-tax)
Taxable Income \$1,900
Federal Tax (25%) -\$475
Net Pay \$1,425

In this example, there is a tax-savings of \$25 per paycheck.
By contributing just \$100 each pay period you could save \$650 in taxes annually.
\$25 x 26 pay periods = \$650

Common HSA myths

Myth #1 - HSAs are only for the wealthy.

FACT - HSAs are for everyone. HSA Bank's 2010 Consumer Benchmark Survey found that 44 percent of HSA-compatible plan participants and 45 percent of traditional plan participants have an average household income of between \$25,000 and \$74,000 (HSA Bank 2010 Consumer Benchmark Survey).

Myth #2 - HSAs are only for the healthy.

FACT - In a study conducted this year by HSA Bank, individuals were asked to rate their own health. The survey found that there was no significant difference between the self-reported health ratings of those in an HSA-compatible plan as those in a traditional plan. In fact, in most cases traditional plan participants and HSA-compatible plan participants rated themselves within one percent of each other with respect to their health status (HSA Bank 2010 Consumer Benchmark Survey).

Myth #3 - HSAs are not popular among consumers.

FACT - The number of people covered by HSAs and HSA-compatible health plans rose to 10 million in January 2010, up from 8 million in January 2009, and 6.1 million in January 2008 (AHIP Report 2010).

Who is HSA Bank?


HSA Bank is here for you even before you sign up with us. Our Client Assistance Center representatives are HSA experts and dedicated solely to helping you understand and manage your account. They provide live, HSA assistance Monday through Friday from 7 a.m. to 9 p.m., CT, at (800) 357-6246 and are available via email at askus@hsabank.com.

Once enrolled, you'll receive 24/7 access to your account balance and transaction history with our toll-free automated Bankline system. You can also sign up for Internet Banking (www.hsabank.com/lbsignup) and perform all of your regular banking tasks just by logging in.


We'll help you manage your HSA with emails and newsletters. Plus, we'll provide you with the tax forms and instructions you'll need for your HSA-related tax filing.



For assistance, please contact Client Assistance Center

 (800) 357-6246 Monday – Friday, 7 a.m. – 9 p.m., CT

 www.hsabank.com

 605 N. 8th Street, Ste. 320, Sheboygan, WI 53081

HSA BANK[®]
National Leader in Health Savings Accounts.
A Division of Webster Bank, N.A., Member FDIC

How to use your HSA

Sign up for free Internet Banking

Access real-time account balances, transaction history, statements and online transfers.

Sign up today at: <https://secure.hsabank.com/ibanking3/login.aspx>.

Funding your HSA

To maximize HSA tax and savings benefits, begin funding your account. HSA Bank offers several convenient methods for making contributions to your HSA.

Payroll Deductions – HSA Bank will facilitate recurring pre-tax payroll deductions. Contact your employer to complete the appropriate paperwork for this option.

Online Transfers – Through HSA Bank's Internet Banking, you can transfer funds from your external bank account to your HSA.

Check – Mail your personal check and completed Contribution Form to:
HSA Bank, PO Box 939, Sheboygan, WI 53082

Access your Funds

Whether you want to reimburse yourself for an expense paid out-of-pocket or you want to pay directly from your HSA, HSA Bank offers multiple options for accessing your funds.

Debit Card: Your Visa® debit card provides access to your HSA funds at point-of-sale and ATM withdrawals. Transaction fees may apply when used with a PIN.

Checks: You can write an HSA Bank check to a provider to pay for eligible medical expenses or reimburse yourself for expenses already incurred. You can order a book of 50 checks for \$7.95.

Online Transfers: Through Internet Banking you can reimburse yourself by transferring funds from your HSA to an external bank account. This option is available free of charge.

Manual Withdrawal Form: Submit a Withdrawal Form to:

HSA Bank at PO Box 939, Sheboygan, WI 53082. HSA Bank will send you a check for the disbursement. A \$10 processing fee will be deducted from your account for this option.



Visit www.hsabank.com to learn more about the contribution and withdrawal options available from HSA Bank. If you have questions regarding your HSA, please contact HSA Bank's Client Assistance Center at (800) 357-6246, Monday through Friday, 7 a.m. – 9 p.m., CT.

HSA[®]**BANK**[®]
National Leader in Health Savings Accounts.

Set-up Fees

Bank account.....\$0.00

Monthly Fee

Monthly bank account fee.....\$1.75

Waived on balances of \$3,000 and above

Services Included in Monthly Fee

Initial debit card at account opening (up to 2)..... Included
 Debit card point-of-sale purchase via signature..... Included
 Four-year renewal per debit card..... Included
 Unlimited check transactions Included
 Quarterly paper and E-statements..... Included
 Contribution processing Included
 Monthly e-statements/Quarterly paper statements..... Included
 Tax reporting (year-end status, 1099-SA, and 5498-SA) Included
 Online account access Included
 Bankline (800-565-3512) balance, transaction inquiries, etc..... Included

Specialty Services

Fifty duplicate HSA checks (including ten deposit slips).....\$7.95
 Monthly paper statements (per month).....\$0.75
 Replacement of lost debit card (per card).....\$12.00
 Termination of debit card access.....\$12.00
 Per PIN withdrawal (ATM or point-of-sale)\$2.00
 Overdraft/NSF per item drafted against HSA\$30.00
 Process manual withdrawal request.....\$10.00
 Request copy of check, statement, or tax documents (Available online at no charge).....\$4.00

The following services are charged per occurrence:

Close account fee\$25.00
 Excess contribution distribution.....\$25.00
 Deposited item returned unpaid to us.....\$25.00
 Wire transfer sent or received (individuals only)\$25.00
 Stop payment requests per item.....\$25.00
 Request additional copy of debit card transaction merchant receipt.....\$25.00
 Corrected IRS filing fee (non-bank error)\$25.00

Investment Opportunities *(Accounts must maintain a positive balance in the HSA at all times.)*

TD AMERITRADE Self-directed brokerage (stocks, bonds, mutual funds).....\$0.00
Brokerage services provided exclusively by TD AMERITRADE, Inc, Member FINRA/SIPC. Trading fees may be assessed by the investment platform, depending on the type of trade made and the security purchased. Individuals should carefully consider the investment objectives, risks, charges and expenses before investing. A prospectus contains this and other important information.

Mutual Fund Selection\$0.00
An annual \$24 fee is assessed by the investment platform. Available funds are no-load or load-waived. Fees may be assessed by a particular fund, depending on the type of trade made and the security purchased. Individuals should carefully consider the investment objectives, risks, charges and expenses before investing. A prospectus contains this and other important information.

Investments in either platform are not FDIC insured, may lose value and are not a deposit or other obligation of, or guarantee by the bank.