



FIVE REASONS TO CHOOSE A HEALTHEQUITY® HSA

1.

Easy-to-use online access to claims and payments.

- ▶ A HealthEquity® HSA integrates with more than 40 national health plans—enroll in your HSA and your health plan, access claims, and pay bills or get reimbursements all from a single, easy-to-use online portal.

2.

Live service any day, anytime.

- ▶ Live Member Services specialists are available 24/7/365.

3.

Remarkable education and support.

Rely on a live Member Services specialist and online resources to:

- ▶ Get help negotiating payment schedules with a provider.
- ▶ Learn safe, effective ways to save on health care costs.
- ▶ Find average costs for treatments and prescriptions in your ZIP code.
- ▶ Discover how to get the most from your HSA.
- ▶ Get tax tips about HSAs—for now and the future.

4.

Easy-to-use self-service online portal.

Use your HealthEquity® member portal to:

- ▶ Manage your account information.
- ▶ See your balance in real-time.
- ▶ Request reimbursements.
- ▶ Make online payments directly to a provider.
- ▶ Schedule payments in advance.
- ▶ Set up electronic funds transfers.
- ▶ Access a lifetime record of claims and spending history.

5.

Everything you get from a typical HSA and more.

- ▶ FDIC-insured cash deposits.
- ▶ Free HealthEquity® Visa® Health Account Card*.
- ▶ No setup or inactivity fees.
- ▶ Competitive interest rates.
- ▶ Free investment options with no transaction fees—something most banks don't offer.
- ▶ Monthly account statements and annual tax statements—online or on paper.

Find Out More About a HealthEquity HSA

Visit www.healthequity.com or call 866.346.5800, then talk to your employer about how to enroll today.

*This card is issued by The Bancorp Bank pursuant to a license from Visa U.S.A. Inc. The Bancorp Bank; Member FDIC.

¹Up to the age of 65, there's a 20% penalty for HSA withdrawals used for anything other than qualified medical expenses.

²2006 claims data from insurer with more than 700,000 lives.

³Based on 2012 annual maximum contribution for self-only coverage of \$3,100. Family coverage maximum is \$6,250.

FIVE REASONS TO CHOOSE A LOWER-PREMIUM HEALTH PLAN AND AN HSA

- 1. Save money!**
 With a qualified lower-premium health plan, you may be able to put what you save on premiums into a health savings account (HSA). Use your HSA to pay for qualified medical expenses tax-free, or save it and earn interest tax-free—unlike money in a typical savings account, you don't pay taxes on the interest your HSA earns.
 Contributions through your employer are taken before taxes and reduce your annual taxable income. You get more of your own money to use *and* you reduce your annual tax burden.
- 2. Grow your money.**
 In addition to earning tax-free interest, many HSAs include the option to invest balances above a preset threshold in mutual funds or other investment options—making an HSA a way to potentially grow your money—tax-free.
- 3. Access the best tax-savings retirement opportunity available.**
 An HSA is similar to a 401(k). Your contributions aren't taxed and reduce your annual taxable income. Employers and family members can contribute to your account up to the annual limits. Balances can earn interest and/or potential investment returns. And balances outside of investments may be FDIC-insured.
 Withdrawals are never taxed or penalized when used for qualified health care expenses and premiums. And after retirement, use funds for anything without paying a penalty (withdrawals used for nonqualified medical expenses/premiums are taxed¹.)
- 4. Keep your doctor.**
 An HSA-qualified health plan is typically a preferred provider organization (PPO). Your doctor is likely an in-network provider, so you have the flexibility to see the doctor you want. Even if your doctor isn't a network provider, you can use your HSA to pay your bill.
- 5. Protect your account and your pocket book.**
 The money in an HSA is yours—not your employers. If you change jobs or retire, you keep your account and all balances.
 Most HSA-qualified health plans have maximum out-of-pocket limits. Reach your limit, and expenses are fully covered. Before you reach your limit, use your HSA balance to pay out-of-pocket costs.



Self-Only Coverage Example

	PPO Plan—\$0 deductible		HDHP-HSA Plan—\$3,000 deductible	
Annual premiums	\$275 x 12 months	\$3,300	\$125 x 12 months	\$1,500
HSA contributions	\$0		Employer: \$1,500	Employee: \$0 x 12 = \$0 Total: \$1,500
4 annual preventive exams	Preventive covered at 100%	\$0	Preventive covered at 100%	\$0
Total expenses		\$3,300		\$1,500
Total out-of-pocket (OOP) after-tax expenses	\$0	\$0	\$0	
Employee's total cost	OOP expenses+premium	\$3,300	(OOP exp.-\$1,500)+premium	\$1,500
Remaining HSA balance	\$0		\$1,500 Added available tax shelter: \$1,600 ¹ (\$3,100 - \$1,500)	

Figures are for illustrative purposes only.

Who Says an HSA Costs More?

Seventy percent of people have less than \$1,000 of medical expense a year (including what both the insured and the health plan pay²). Why not invest the money you'd pay for premiums in an interest-bearing, tax-advantaged HSA and lower-premium health plan?

Q: DO I PAY CO-PAYMENTS IF I HAVE AN HSA?

A: If your health insurance plan requires a co-payment, you will pay the co-payment as part of the full amount your insurance has contracted to pay for the visit, which you'll pay in full until meeting your deductible. Whether you continue to pay co-payments after meeting your deductible depends on the specifics of your health plan. You can always use your HSA to pay your co-payments.

Q: I AM A PARENT ON AN HSA-BASED PLAN, BUT DIDN'T COVER MY CHILDREN UNDER THIS PLAN. CAN I USE THE MONEY IN MY HSA TO PAY FOR MY CHILDREN'S MEDICAL EXPENSES, CO-PAYS, AND DEDUCTIBLES?

A: Yes. The money in your HSA can be used to pay for qualified medical expenses of any family member who qualifies as a dependent on your tax return. However, if the dependent isn't covered under your plan, his/her expenses won't be applied toward your deductible.

Q: MY DOMESTIC PARTNER IS COVERED ON MY INSURANCE PLAN. CAN I USE MY HSA FOR MY DOMESTIC PARTNER'S MEDICAL EXPENSES?

A: If your domestic partner meets the IRS qualifications of a tax dependent, you can legally use your HSA funds for his/her medical expenses.

Q: DO I PAY FOR THE FULL DOCTOR'S OFFICE VISIT WHEN I GO TO THE DOCTOR?

A: You're responsible to pay the amount your insurance has contracted to pay your doctor, typically a discounted rate, until your deductible is met. You can use your HSA for this expense.

It's best to have your doctor's office put the charge through to your insurance, so that you receive credit toward your deductible and know exactly what to pay. Some doctors may require that you pay up front, but most bill your insurance, and then bill you only once the claim has been processed. Make sure you don't pay more than your portion shown on the explanation of benefits you receive from your insurance carrier.

Q: I'M RETIRED. CAN I STILL CONTRIBUTE TO MY HSA?

A: Yes, provided you're covered by a qualified HDHP and aren't on Medicare.

Q: IF MY SPOUSE IS ON MEDICARE, CAN I CONTRIBUTE TO AN HSA?

A: Yes. As long as you're not enrolled in Medicare yourself and are still enrolled in a qualified HDHP, you can contribute to your HSA.

Q: CAN I USE THE MONEY IN MY HSA FOR NON-MEDICAL EXPENSES?

A: Yes. If you do though, and are under 65, you'll be taxed on the money you use and assessed a 20% penalty. Once you're 65, you'll be taxed for moneys used for non-medical expenses, but won't pay a penalty.

Q: CAN I USE MY HSA FOR EYE GLASSES, CONTACTS, OR LASIK SURGERY?

A: Yes. These expenses may not apply to your insurance deductible though.

Q: CAN I USE MY HSA TO PAY FOR DENTAL EXPENSES AND ORTHODONTICS?

A: Yes. These expenses may not apply to your insurance deductible though.

Q: CAN I USE MY HSA TO PAY FOR VOLUNTARY COSMETIC SURGERY?

A: The HSA can be used for cosmetic surgery only if prescribed by a physician as being medically necessary.

Q: CAN I ACCESS MY HSA ONLINE?

A: Yes. You can see your account balances, HSA debit card balance, claim transactions, and more online. You can also pay providers, request reimbursements, and manage your personal information. Simply visit www.myhealthequity.com or your specific member portal.

Q: HOW DO I CONTACT HEALTHEQUITY?

A: You can call HealthEquity Member Services 24/7/365 at 866.346.5800 or your dedicated service line.

HealthEquity is the nation's oldest and largest dedicated health savings trustee. It helps individuals and families build health savings while it helps employers spend less on benefits through innovative integrated health care account (HSA, HRA, FSA, VEBA) administration and investment platforms backed by 24/7/365 service, personalized savings strategies, and consumer education.



HEALTH SAVINGS ACCOUNTS (HSAs) FAQs

Q: DO I HAVE TO HAVE HEALTH INSURANCE TO HAVE A HEALTH SAVINGS ACCOUNT (HSA)?

A: Yes. To be eligible to open and contribute to an HSA, you need to be enrolled in a qualified high-deductible health plan (HDHP)—one with a minimum annual deductible of \$1,200 for self-only coverage or \$2,400 for family coverage.

Q: WHO OWNS THE HSA?

A: You do.

Q: DOES THE MONEY IN MY HSA EARN INTEREST?

A: Yes, and tax-free. HealthEquity calculates, compounds, and credits interest monthly based on the applicable rate for different tiers of the account balance. For current rates see the interest rate page in the HealthEquity online resource center.

Q: CAN I INVEST THE MONEY IN MY HSA?

A: Yes. Similar to an IRA, many HSAs let you choose to invest your account balance in stocks/bonds, mutual funds, CDs, and/or annuities. With your HealthEquity® HSA, you can typically invest in pre-selected mutual funds after you reach a \$2,000 balance in your account. (Note: Your account may have a different minimum balance. Check your plan details or call your dedicated HealthEquity Member Services line or 866.346.5800 for more information.)

Q: IS MY HSA FDIC-INSURED?

A: Yes. However, eligible monies in investments are not FDIC-insured.

Q: CAN I ROLL THE MONEY FROM MY IRA INTO MY HSA?

A: Yes. You can make a one-time rollover from your IRA into your HSA. You can't, however roll money into your IRA from your HSA. Note that a rollover will count against annual contribution amounts. For more information, call your dedicated HealthEquity Member Services line or 866.346.5800.

Q: WHO CAN PUT MONEY IN MY HSA?

A: Anyone can contribute to your HSA. However, only the account holder and the employer receive tax deductions on monies contributed. And only your contribution is tax-free.

Q: DO I HAVE TO CLAIM CONTRIBUTIONS FROM OTHERS ON MY INCOME TAXES?

A: You don't have to claim contributions you receive from others, whether your employer or your family, as gross income on your annual tax return.

Q: HOW MUCH MONEY CAN I CONTRIBUTE TO MY HSA?

A: In 2011, the maximum contribution as set by the IRS for an individual account is \$3,050 and the maximum contribution for family coverage is \$6,150. In 2012, those limits increase to \$3,100 and \$6,250, respectively. People over the age of 55 can make an additional "catch-up" contribution of \$1,000. These limits are the same regardless of the source of the contribution.

Q: WHAT HAPPENS TO THE MONEY IN MY HSA IF I LEAVE MY JOB OR RETIRE?

A: You take that money with you wherever you go. The HSA is in your name. It's your account. If you're on Medicare or go to another employer that doesn't have a qualified HDHP, you can still use your HSA money to pay for co-pays and qualified medical expenses, but won't be able to continue to make contributions to your HSA.

Q: DOES THE MONEY I HAVE IN MY HSA ROLL OVER FROM YEAR TO YEAR OR DO I LOSE THE MONEY AT THE END OF THE YEAR?

A: The money rolls over from year to year. You don't lose the money left in your HSA or the interest it's earned. It's your money.

Q: CAN I TAKE THE MONEY OUT OF MY HSA ANY TIME I WANT?

A: Yes. You can take money out anytime tax-free and without penalty as long as it's to pay for qualified medical expenses. If you take money out for other purposes, however, you'll have to pay income taxes on the withdrawal plus a 20% penalty.

Q: WHAT IS A QUALIFIED MEDICAL EXPENSE?

A: Qualified medical expenses are those that would generally qualify for the medical and dental expenses income tax deduction as outlined in *IRS Publication 502—Medical and Dental Expenses*. See www.irs.gov/publications/p502/index.html for a current complete list.

HSAs: A HEALTHY CHOICE FOR YOUR SAVINGS

What Is a Health Savings Account?

A health savings account (HSA) is a tax-free savings account that belongs to *you*. You can use your HSA to pay for your insurance deductible and qualified out-of-pocket medical expenses. Your HSA works with your lower-premium higher-deductible medical plan to cover your major medical expenses.

Why Should I Choose an HSA?

An HSA Puts More Money Into Your Pocket.

With an HSA, you get to take some of the money that would have gone to pay for higher health insurance premiums and put it into your own pocket.

You can use the HSA to pay for qualified medical expenses, or you can save it and let it grow with tax-free interest from year to year.

- ▶ You don't lose it if you don't spend it (like the money you put in an FSA).
- ▶ You don't have to pay taxes on withdrawals for eligible medical expenses (like a 401[k]).
- ▶ Even if you lose your qualified lower premium plan, you can still use the remaining funds in your HSA on qualified medical expenses.

The HSA, including all the money you and your employer contribute, is yours. You take the account with you when you change jobs, retire, or leave your qualified health plan.

An HSA Gives You More Control Over How You Spend Your Health Care Dollars.

- ▶ **You Can Keep Your Own Doctor.**
Unlike more restrictive HMOs, an HSA-qualified plan is more flexible and your doctor is probably in the network.
- ▶ **You Can Cover Expenses That Your Health Plan Might Not Include.**
For example, if your health plan limits the number of chiropractic treatments you can have during the year, you can pay for additional treatments from your HSA.



If I'm Healthy, Is an HSA Right for Me?

More than 70% of insured people incur less than \$1,000 a year in medical expenses (including what both the patient and the health plan pay).* HSA-qualified health plans cover preventive care services at 100% and have a fixed limit on your out-of-pocket costs (\$6,050 and \$5,950 for individuals for 2012 and 2011 and \$12,100 and \$11,900 for families for 2012 and 2011).

If you take advantage of those preventive care services and adopt healthy lifestyle habits, it's likely you won't have to spend much of your HSA. The unspent portion of your HSA can grow tax-free from year to year.

Who Is Eligible to Have an HSA?

To be eligible to open an HSA, you must meet the following requirements:

- ▶ Be covered under an HSA-qualified health plan on the first day of any month for which eligibility is claimed (as described in *IRS Publication 969—Health Savings Accounts and Other Tax-Favored Health Plans*).
- ▶ Not be enrolled in Medicare.
- ▶ Not be claimed as a dependent on someone else's tax return.
- ▶ Have no other insurance except what's permitted by the IRS (see *IRS Publication 969*).

Why Is an HSA Better Than Other Retirement Plans?

Think of an HSA as a Medical 401(k)—Only Better.

Here Are the Ways an HSA is Like a 401(k):

- ▶ You and your employer can make pre-tax contributions to your HSA.
- ▶ Your HSA can grow tax-free for as long as you own the account.

Here Are the Ways an HSA Is Better:

- ▶ You can keep your money liquid in an FDIC-insured bank account or, when the balance grows high enough, invest it in mutual funds. It's your choice.
- ▶ You can contribute money up to the IRS yearly limit at any time during the year—as long as you're covered by an HSA-qualified health plan and aren't on Medicare or covered by other insurance. Even family members can contribute to your account (but only you and your employer can deduct your contributions from your taxes).
- ▶ If you're no longer employed, you can still make contributions to your HSA—as long as you're still covered by your HSA-qualified health plan and aren't on Medicare or covered by other insurance.
- ▶ You don't have to be of retirement age to make tax-free withdrawals at any time without tax or penalty—as long as you use the funds for qualified medical expenses.**



Withdraw HSA funds with no penalty after age 65



How Can I Build the Balance in My HSA?

You and/or Your Employer Can Make Pre-Tax Contributions to Your HSA Up to the Yearly IRS Limits.

- ▶ In 2011, the maximum contribution for individuals as set by the IRS is \$3,050. In 2012, the maximum for individuals is \$3,100.
- ▶ The maximum contribution limit for family coverage is \$6,150 in 2011 and \$6,250 in 2012.
- ▶ People aged 55 and over can make an additional “catch-up” contribution of \$1,000 per year.

Any Third Party Can Make Contributions to Your HSA.

Any third party—even non-family members—can contribute to an HSA on behalf of another person who qualifies as an eligible HSA holder. However, the contributor in that case doesn’t receive any tax benefits. (Only account holders and their employers can deduct any HSA contributions they make from their taxes.)

You Can Roll Over Funds From Other Tax-Advantaged Accounts.

Transfers from other HSAs or Archer MSAs into an HSA are permitted as long as you’re the owner of both accounts.

You can do a once per lifetime transfer from an IRA to your HSA. This transfer is limited to the annual HSA contribution limit set by the IRS. You must remain in your HSA-qualified health plan for the entire period following the month in which the transfer was completed in order to avoid taxes and penalties.

Whose Medical Expenses Can I Pay for Out of My HSA?

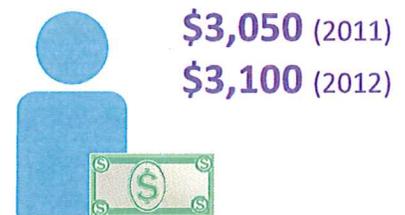
Spouse and Dependents

In addition to your own medical expenses, you can use your HSA to pay the medical expenses of any family member who is reported as a dependent on your tax return, even if they’re not covered by your health plan. (However, their expenses won’t be applied toward your health plan’s deductible if they’re not on your plan.)

Domestic Partner

The law states that money in an HSA can only be used for yourself, your spouse, and your tax dependents. If your domestic partner meets the IRS qualifications to be considered a tax dependent, you can legally use your HSA funds for his/her medical expenses.

2011 & 2012 Individual HSA Contribution Limit



2011 & 2012 Family HSA Contribution Limit



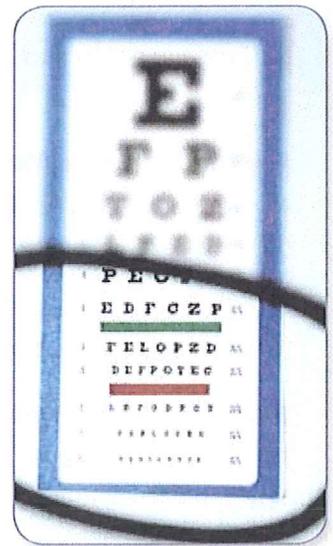
What Kinds of Medical Expenses Will My HSA Pay For?

You can use HSA funds to pay for qualified medical expenses as defined by the IRS.

Medical care expenses must be primarily to alleviate or prevent a physical or mental defect or illness. They don't include expenses that are merely beneficial to general health, such as vitamins or a vacation.

Here Are a Few Examples of Qualified Medical Expenses*:

- | | | |
|---|--|---|
| <ul style="list-style-type: none"> • Acupuncture • Alcoholism (rehab, transportation for medically advised attendance at AA) • Ambulance • Annual physical examination • Artificial limbs/teeth • Birth control pills • Body scan • Breast reconstruction surgery • Chiropractor • Contact lenses | <ul style="list-style-type: none"> • Crutches • Dental treatment • Eyeglasses / eye surgery • Hearing aids • Home care • Long-term care expenses • Medicines (prescribed, not imported from other countries) • Nursing home • Nursing services • Optometrist | <ul style="list-style-type: none"> • Oxygen • Stop-smoking programs • Surgery • Telephone equipment and repair for hearing-impaired • Therapy • Transplants • Weight-loss program (as prescribed by a physician for a specific disease) • Wheelchair • Wig |
|---|--|---|



Here Are Some of the Expenses That Are Not Qualified by the IRS†:

- | | | |
|---|---|--|
| <ul style="list-style-type: none"> • Babysitting, childcare, and nursing services for a normal, healthy baby • Dancing lessons • Diaper service • Elective cosmetic surgery • Electrolysis or hair removal | <ul style="list-style-type: none"> • Funeral expenses • Future medical care • Hair transplant • Health club dues • Insurance premiums other than those explicitly included • Medicines and drugs from other countries | <ul style="list-style-type: none"> • Nonprescription drugs and medicines • Nutritional supplements, unless recommended by a medical practitioner as treatment for a specific medical condition diagnosed by a physician • Teeth whitening |
|---|---|--|



*2006 claims data from insurers with more than 700,000 lives.

††There is a 20% penalty for withdrawals other than for medical expenses before the age of 65.

*A complete list is found in the IRS Publication 502—Medical and Dental Expenses.

QUALIFIED AND NON-QUALIFIED MEDICAL EXPENSES

Your HSA can be used for a wide range of medical goods and services in addition to the usual medical services and prescribed medications covered in the typical health plan, as well as for certain types of health insurance premiums.

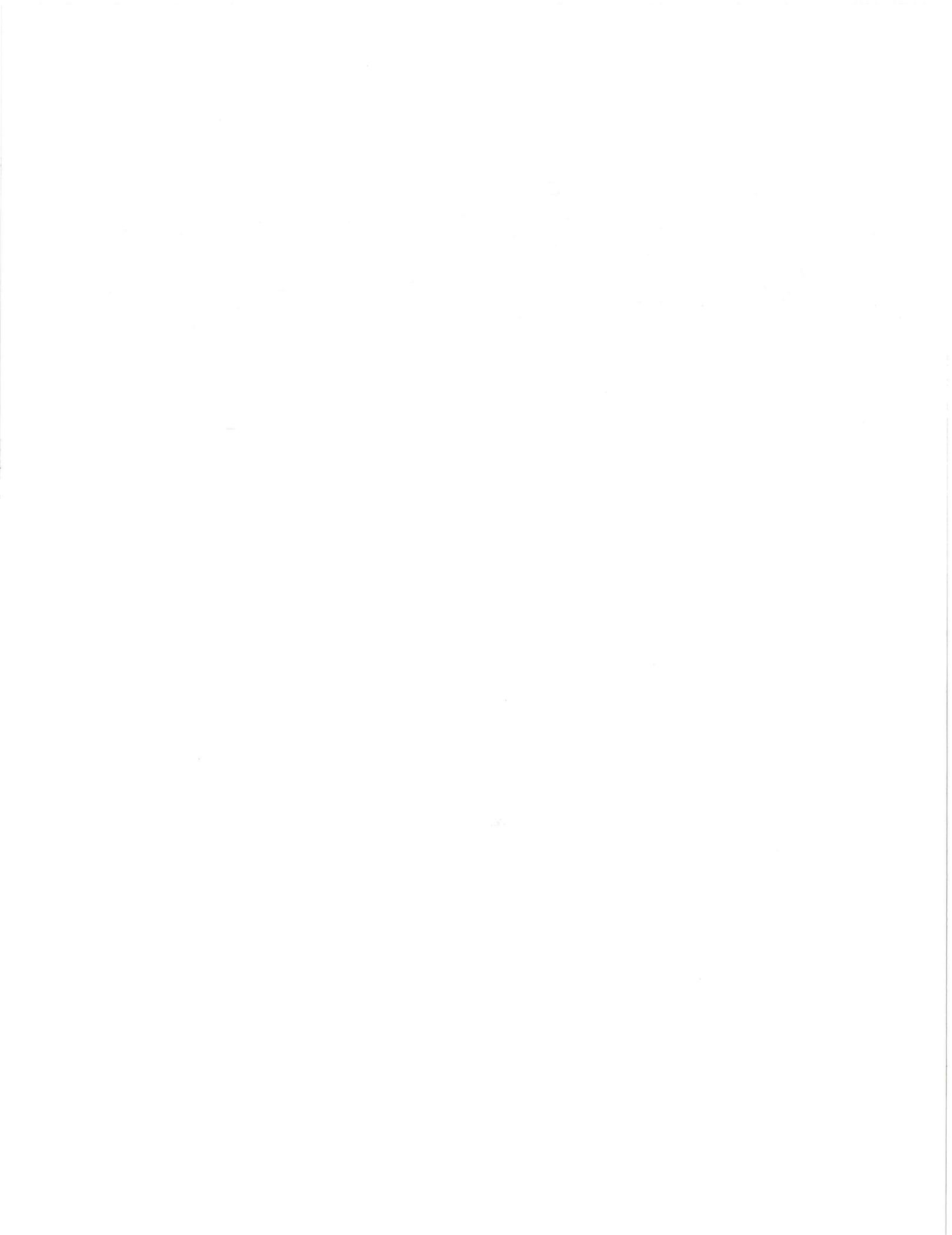
Qualified Medical Expenses

Acupuncture	Disabled dependent care expenses	Psychoanalysis (other than related to training)
Alcoholism or drug addiction treatment	Eye surgery	Smoking cessation programs
Ambulance services	Eyeglasses	Special education (if prescribed by doctor)
Artificial limbs	Fertility enhancement	Special home for mentally handicapped person
Artificial teeth	Guide dog or other animal	Sterilization (reproductive)
Bandages	Hearing aids	Telephone or television for hearing
Birth control pills and other prescription contraceptives	Lead-based paint removal	Therapy prescribed as treatment
Braille books and magazines (excess cost)	Legal fees to authorize treatment of mental illness	Transplants (costs of donor)
Breast reconstruction surgery	Legal termination of pregnancy	Transportation and other travel costs for medical care
Car modifications	Lifetime care-advance payments	Weight loss program (if prescribed by doctor)
Certain home improvements	Long-term care	Wheelchair
Chiropractor	Nursing home and/or services	Wig (for hair loss if prescribed by doctor)
Contact lenses	Optometrist	
Crutches, purchase or rental	Over-the-counter drugs*	
Dental treatment	Oxygen	
Diagnostic devices	Prescription medications	

Non-Qualified Medical Expenses

Baby-sitting, childcare, and nursing services for a normal, healthy baby	Hair transplant	Nutritional supplements unless prescribed for a medically diagnosed condition
Controlled substances in violation of federal law	Health club dues	Personal use items unless specifically included
Elective cosmetic surgery	Household help other than that qualifying as long term care	Swimming lessons
Dancing lessons	Illegal operations and treatments	Teeth whitening
Diaper services, unless they are needed to relieve the effects of a particular disease	Insurance premiums other than those explicitly included	Veterinary fees, except for guide or assistance animals
Electrolysis or hair removal	Liposuction	Weight-loss program
Funeral expenses	Maternity clothes	
	Medicines imported from another country	

*Effective January 1, 2011, over-the-counter medications will not be a qualified medical expense unless you have a doctor's prescription.



On the Go: Mobile HealthEquity

New Mobile App

Discover Anytime Anywhere Portable Access

Now HealthEquity Goes Where You Go

Get the HealthEquity mobile application for web-enabled Android and iPhone mobile phones and get access to your HealthEquity account wherever you are. The mobile app is just one more way HealthEquity continues to give you exceptional service, convenience and satisfaction.

Simply download the app from the Android Market or from within iTunes by searching for "HealthEquity," and get anytime anywhere portable access to:

- Real time account balances for all HealthEquity accounts - HIS/AG, HR/AG, PS/AG and/or VL/AG.
- The last 10 transactions for all your HealthEquity accounts.
- Single click e-mail and phone connection to HealthEquity Member Services 24/7/365.

Whether you're at the doctor's office, dentist or pharmacy or are miles away, access is now at the tip of your fingers.

The first time you log in to the app, if you don't yet have your HealthEquity username or password or have any trouble, contact Member Services.

More to Come

HealthEquity is working on the next version of the mobile app to let you submit claims right from your mobile phone by simply taking a picture of your receipt and hitting "send."



Download the HealthEquity Mobile App Today

Android Market



iTunes

For Android-Enabled Phones

Visit the Android Market and search for "HealthEquity"

For iPhones

Open iTunes and search for "HealthEquity"





INVEST IN BUILDING HEALTH SAVINGS™

Take Advantage of Free Investment Options for Eligible Health Savings Account (HSA) Balances

Your HealthEquity® health savings account (HSA) lets you grow your balance to pay for health care costs now and in the future.

- ▶ Cash balances earn interest¹
- ▶ Balances of more than \$2,000 can be invested in preselected mutual funds with no setup or trading fees, and no minimum required investment^{2†}

HealthEquity never charges commissions or fees to make investments. And you can buy and sell shares at no cost to you.

Invest Eligible Balances in Any of These Mutual Funds³

Fund Name	Symbol	Category
American Funds American Balanced F-1	BALFX	Moderate Allocation
American Funds Growth Fund of Amer F-1	GFAFX	Large Growth
Baron Small Cap Retail	BSCFX	Small Growth
Dodge & Cox Income	DODIX	Intermediate-Term Bond
Dodge & Cox International Stock	DODFX	Foreign Large Value
Dreyfus Appreciation	DGAGX	Large Blend
Dreyfus Small Cap Stock Index	DISSX	Small Blend
Fidelity Blue Chip Value	FBCVX	Large Value
Fidelity Capital Appreciation	FDCAX	Large Growth
Harding Loevner Emerging Markets	HLEMX	Diversified Emerging Markets
Laudus International MarketMasters Inv	SWOIX	Foreign Large Growth
T. Rowe Price Equity Income	PRFDX	Large Value
Vanguard Large Cap Index Signal	VLCSX	Large Blend

Questions About Investing

Q: WHAT HAPPENS IF I'VE MADE INVESTMENTS AND MY BALANCE FALLS BELOW \$2,000?

A: Investment balances and HSA balances are treated as separate accounts and there's no consequence to your investments if your available balance falls below \$2,000. You don't have to sell your investments and you don't lose them. You simply won't be able to invest any more funds until your balance rises to more than \$2,000 again.

Q: ARE MY ELIGIBLE MEDICAL CLAIMS PAID FOR OR REIMBURSED FROM MY INVESTMENT ACCOUNT?

A: No. Investment account balances are treated as separate accounts. To use investment funds to pay for claims, you have to sell shares, any proceeds from which are automatically deposited back to your available HSA balance.

Q: HOW DO I KNOW HOW MUCH I HAVE AVAILABLE TO INVEST?

A: Any available HSA balance of more than \$2,000 can be invested. For instance, if you have a total available balance of \$3,000, you can invest up to \$1,000. Log in to your member portal and select "Manage Investments" from under "My Money" to see the amount you have available to invest at-a-glance in the lower right.

Q: HOW DO I KNOW HOW MUCH IS IN MY HSA VERSUS MY INVESTMENT ACCOUNT?

A: Log in to your member portal. Go to "Account Balance" under "My Money." Your total balance (investment and HSA) shows as your "Ledger Balance." Your total available HSA balance (funds available to pay eligible claims or invest [if more than \$2,000]) shows as your "Available Balance."

Q: DO I HAVE TO PAY TAXES ON INTEREST EARNED FROM MY INVESTMENTS?

A: No. All interest earned from your HSA and investment accounts under your HSA is tax-free provided it's used to pay for/be reimbursed for qualified medical expenses. Any balances from investments sold are automatically deposited back to your HSA[†].

Q: DOES HEALTHEQUITY EVER CHANGE AVAILABLE INVESTMENT OPTIONS?

A: To-date, HealthEquity has infrequently changed the investment options and typically only adds additional options. HealthEquity reserves the right to add or remove funds at any time.

How to Invest Eligible HSA Balances

1. Log in to your member portal.
2. Select “Management Investments” from under “My Money.”
3. Select “Sign up now.”
4. Review the *Terms and Conditions*. If you agree, check the “I Agree with the Terms Above” and select “Save Agreement.”
5. Decide which funds meet your investment goals and click the “Add” button to add a fund to your investment mix.
 - ▶ Note: To read the prospectus for a fund and/or do research on any/all funds, simply click the *Research* icon.
6. Once you’ve added all the funds you want, select “Add selected.”
 - ▶ Note: You can add additional funds at anytime.
7. If you choose more than one fund, determine what percentage of your total investment balance you want invested in each by entering an amount in the “Target Holding” field for each fund.
 - ▶ The total of all “Target Holding” amounts should equal 100%.
 - ▶ By selecting target amounts, you aren’t yet actually buying shares.
8. Select “Save Targets.”
9. To buy or sell shares from the selected fund(s) in your portfolio, select “Make a Trade.”
10. You have two options for buying and selling shares (making a trade):
 - ▶ **Option 1** lets you specify a set dollar amount to purchase shares based on your target holdings.
 - For example, if you have three funds with target holdings of 25%, 50% , and 25% and select to invest \$1,000, this option will automatically invest 25%, 50%, and 25% of \$1,000 into your chosen funds.
 - ▶ **Option 2** lets you specify a dollar amount to buy or sell from each specific fund.
 - For example, if you have three funds and select to invest \$1,000, you could choose to invest \$50, \$300, and \$650, even though these amounts don’t equal your target holdings.
11. Once you make your selection(s) for option 1 or 2, select “Confirm.”
12. When prompted, confirm your trades and select “Execute.”

To manage your investments over time:

1. Log on to your member portal.
2. Select “Manage Investments” from under “My Money.” Here you can add to your portfolio, edit your portfolio, make a trade, and more.

¹Interest rates may vary and are subject to change.

²Investment options and thresholds may vary and are subject to change.

³Available funds may vary and are subject to change.

⁴Mutual Funds are subject to investment risk (including the possible loss of the principal invested), and are not FDIC insured or guaranteed by HealthEquity.

Before making any investment, review the fund’s prospectus.

⁵HealthEquity doesn’t provide medical or tax advice. Consult your tax adviser or the IRS with any questions on filing your tax return and any of the forms mentioned above.