

Save on Taxes with a Health Savings Account



State Health Plan Savings Plan members can contribute to a Health Savings Account, or HSA, which is available through PEBA's MoneyPlus program. An HSA helps you get the most out of your health plan by reducing your taxes while saving for future medical expenses. To make your contributions through pretax payroll deduction, enroll in an HSA and open an account at Central Bank, the HSA bank custodian.

Benefits of an HSA

An HSA is essential to help you prepare for your health expenses.

- **Carry over all funds from one year to the next.** You don't have to spend the funds in the year you deposit them.
- **Keep your account.** The money in your account belongs to you. If you leave your job, you can take the account with you and continue to use it for qualified expenses.
- **No limit to how much you can save.** While there is an annual contribution limit, there's no limit to how much you can accumulate in your account.
- **Invest your savings.** You can invest your funds once your account balance reaches \$1,000 to earn investment income tax-free.

HSA limitations

- You cannot be covered by any other health plan, including Medicare.
- You cannot be claimed as a dependent on someone else's income tax return.
- You cannot use your HSA funds to pay premiums.

2020 contribution limits

Your contribution limit is determined by your health coverage level.

- \$3,550 for self-only coverage;
- \$7,100 for family coverage; and
- Additional \$1,000 catch-up contributions for members ages 55 and older.

Limited-use Medical Spending Account

If you have an HSA, you can enroll in a Limited-use Medical Spending Account (MSA) to pay for those expenses the Savings Plan does not cover, like dental and vision care.

Learn more

- www.peba.sc.gov/moneyplus.html
- www.ASIFlex.com/SCMoneyPlus
- <http://schsa.centralbank.net>