

Health Savings Account (HSA) FAQs

What is an HSA and how does it work?

A health savings account (HSA) is a savings account that you own. You can use it to pay for eligible health care expenses for you and your covered dependents. It works with a high-deductible health plan. The money stays in your account until you choose to spend it. You can also choose to save the money and use it in retirement.

How do you benefit from an HSA?

- **Ownership**—You own the HSA, even if you change jobs, health plans or retire.
- **Rollover**—Unused funds roll over year to year for future health care expenses and retirement.
- **Convenience**—Online access lets you manage your HSA 24/7.
- **Taxable income reduction**—HSA contributions can be made before taxes, resulting in a lower taxable income.
- **Tax-free earnings**—Interest growth on HSA funds is never taxed.
- **Tax-free distributions**—HSA funds are not taxed when used for eligible expenses.

How do I use my HSA?

You'll receive a debit card to use for eligible medical expenses. You can use it at the time of your appointment or after you receive care.

What expenses can be paid from an HSA?

Any out-of-pocket medical expenses allowed under section 213(d) of the Internal Revenue Code, including medical premiums (under limited circumstances) and long-term care expenses.



What documentation should I keep?

In case of an Internal Revenue Service (IRS) audit, you should keep documentation, such as a receipt, for any funds withdrawn from an HSA to prove that funds were used for an eligible medical expense. All receipts should include the amount paid, who received the funds (payee's name or code) and the date of service.

How is an HSA funded?

Contributions can be made by you, your employer or both. The HSA contribution limits for individual and family health plans change annually. The table below shows the current HSA contribution limits.

Tax Year	Individual contribution limits	Family contribution limits
2024	\$4,150	\$8,300
2025	\$4,300	\$8,550

If you are 55 or older, you can make additional "catch-up" contributions of \$1,000 towards the HSA (either individual or family coverage).

What HSA investment options are available?

There are three ways to invest your HSA funds:

- **Base Balance**—If you choose, you can leave the entire HSA balance with our vendor, Further, where it earns interest.
- **Basic Investment Account**—Once an HSA base balance exceeds \$1,000, you can open a self-directed basic investment account. This gives you access to more than 30 mutual funds. At least \$1,000 must be kept as the base balance of the HSA at all times.
- **Charles Schwab Broker Investment Account**—When the basic investment account balance exceeds \$10,000, you can open a self-directed brokerage investment account with Charles Schwab. This account gives you access to more than 2,500 mutual funds from a variety of families, as well as stocks, bonds and other investments.

What can I manage online?

Log in or register at carefirst.com/myaccount.

Under the *My Coverage* tab, click *BlueFund HSA* to:

- pay claims
- deposit funds
- store documentation and receipts
- reorder debit cards
- view account balances

Have additional questions?

Call BlueFund Customer Service at 866-758-6119, Monday–Friday from 8 a.m. to 9 p.m. and Saturday–Sunday from 9 a.m. to 6 p.m. ET:

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