

AON BENEFIT EXPERIENCE

# Your 2025 HSA User's Guide

*make it yours*



**Save with an HSA now, thank yourself later.** A Health Savings Account (HSA) is a smart way to set yourself up for success. You can use it to pay for expenses now, or have a leg up on future expenses if you don't use all your HSA money by the end of the plan year.

## How the HSA Works

Your HSA is a personal bank account that works with the Bronze Plus medical option. It allows you to set aside tax-free money to pay for qualified health care expenses.

You decide how much money you want to save in your HSA, and you can change it at any time. So if you didn't elect to set aside money in an HSA when you enrolled in your medical coverage, you can still do it through the enrollment website at [whitecastle.benefitsnow.com](https://whitecastle.benefitsnow.com) now.

## What's Great About the HSA?

While no one likes taking money out of their paycheck, there are a number of advantages to setting aside a little money in an HSA.

- **It's tax-free when it goes in.** You can put money into your HSA on a before-tax basis through convenient payroll deductions. Not only do you save money on qualified expenses, but your taxable income is lowered.
- **It's tax-free as it grows.** You earn tax-free interest on your money. The interest you earn even earns interest.
- **It's tax-free when you spend it.** When you spend your HSA on qualified health care expenses, you don't pay any taxes. That means you're saving money on things like your medical coinsurance and deductibles. See page 3 for more information on qualified expenses.
- **It's always your money.** Just like a bank account, you own your HSA, so it's yours to keep and use even if you change medical options, leave the company, or retire.



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## Attention First Timers!

Is this your first time enrolling in an HSA through Alight Smart-Choice Accounts, your HSA administrator? When you enrolled and elected to contribute money to an HSA, your information was sent to begin setting up your account. Make sure to also:

### Get Your Debit Card

Once your account is open, you'll receive a welcome letter and HSA debit card in the mail. The debit card gives you instant access to your HSA dollars after you follow the instructions to activate it.

If you **don't** receive your HSA debit card by January 1, contact Alight Smart-Choice Accounts to request one be mailed to you.

### Manage Your HSA Throughout the Year

You're in complete control of your HSA—you decide how and when to use it. Log on to the enrollment website to track your HSA balance, use tools, view claims, request additional cards, and more.

### Growing Your HSA

You can use your HSA to get a head start on saving for future health care expenses. In fact, you can grow your HSA into a 401(k)-like nest egg for health care. Here are three ways:

- 1 Your contributions**  
For 2025, you can save up to \$4,300\* if you're covering just yourself, or \$8,550\* if you're covering yourself and family.  
  
If you're age 55 or older (or will turn age 55 during the plan year), you can also make additional before-tax "catch-up" contributions to your HSA up to \$1,000.\*
- 2 Interest**  
Your account earns tax-free interest. Over time, the interest you earn even earns interest!
- 3 Investment earnings**  
You can invest your HSA balance that exceeds \$1,000. This is a great way to put your money to work for you and an opportunity to grow your HSA more quickly. For more information on your investment options, log on to the enrollment website or call **1.855.564.6151**.  
  
**Note:** You will not be able to use your invested HSA balance for qualified expenses.



### Already Have a Debit Card?

If you already have an active debit card from Alight Smart-Choice Accounts, go ahead and continue using it. A new card will not be issued unless your current card will soon expire.

\*Limits subject to mid-year changes per IRS regulations. For more information, go to [irs.gov](https://www.irs.gov).

## Spending Your HSA

When it's time for you to pay for care or prescription drugs, there are three ways to use your HSA to pay:

- 1 Use your HSA debit card**

Just use it when you're ready to pay for qualified medical expenses, and the funds will be taken directly from your account. Make sure you only use the card on qualified expenses, and that you have enough money in your HSA to cover them. Log on to the enrollment website to check your balance beforehand.
- 2 Pay out of pocket**

If you prefer, you can pay for your qualified expenses up front and pay yourself back through your HSA later. To get started, just log on to the enrollment website or contact Alight Smart-Choice Accounts. You'll be able to transfer money from your HSA to your regular bank account.
- 3 Set up direct payments to your providers**

Another option is to have Alight Smart-Choice Accounts make direct payments to your provider from your HSA. Log on to the enrollment website at [whitecastle.benefitsnow.com](https://whitecastle.benefitsnow.com) to set up direct payment.



### Keep Receipts

Always remember to save your receipts when you make payments from your HSA, in case you need to prove to the IRS how you spent your HSA funds.



### Qualified Expenses

Find a complete list of qualified expenses at [irs.gov/publications/p502](https://irs.gov/publications/p502). Keep in mind, if you use money from your HSA to pay for nonqualified expenses—such as child care, cosmetic surgery, health club fees, teeth whitening products, or vitamins—you'll pay taxes on that money and pay an additional 20% penalty tax if you're under age 65.

## Success Stories

The following profiles show different ways you can use the HSA to pay for expenses and save for the future. They are for illustrative purposes only.

### Using the HSA Debit Card

This is Tom's first year in the Bronze Plus option. He would like to start saving for future health care expenses, but right now he's focused on his immediate health care expenses.

Tom uses the HSA debit card to pay for medication. He also uses it to pay the bill after visiting the doctor's office. By the end of the year, he has used up most of his account. The remaining money rolls over to the following year so he can use it to pay future expenses.



### Paying Yourself Back Later

Tina started contributing to her HSA in January. Her account balance is growing, but it's not large enough (yet) to pay for an emergency she just had. Tina knows that by the end of the year, her HSA will have more than enough money to pay for the emergency. So, she decides to pay for the expense out of pocket now, and reimburse herself from her HSA later. When her account balance is large enough, Tina will just log on to the enrollment website to request that money is transferred from her HSA to her regular bank account.

Tina knows she has the option to increase her contributions at any time—to be able to reimburse herself sooner—but she would prefer to keep her contributions the same for now.



### Saving for the Future

Carrie is a few years into her career, and she's learning a lot about saving now for her future. She knows that while she's younger and healthy, she can pay for her medical expenses out of pocket, if needed, and she can use her HSA to build an account balance to use for qualified medical expenses later when she has a family and even in retirement. Her HSA balance rolls over from year to year, and she's maximizing her savings as much as possible. She has the option to invest the balance that exceeds \$1,000. It's a great addition to her other retirement savings because it's tax-free.



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