

# *HSA Fund Advantage through Health Savings Administrators*

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## *Take control of your health care expenses.*

### Who Should Have An HSA?

- ❖ Healthy individuals or families. If you and your family rarely use your health insurance you can pay a lower premium and put the difference in your HSA. It's use it or keep it!
- ❖ People who want to build a savings account for future use can establish a tax free method with an HSA.
- ❖ Individuals looking at retirement. This account can be used for eligible medical expenses even after enrolling in Medicare. In fact, Medicare deductibles and Part B and Part D premiums can be paid tax free from the account.
- ❖ Taxpayers looking to reduce their Federal and State income taxes.
- ❖ Those wishing to supplement their retirement income. Account holders can withdraw for any non-medical expense just like a pension or IRA plan. (The HSA early withdrawal penalties are waived after age 65.)

### Plan Overview

- ❖ You **cannot** be covered by: your spouse's health insurance plan, Tricare, or Medicare.
- ❖ You cannot participate in a Flexible Spending Account (Childcare FSA is allowed)
- ❖ No minimum contribution is required
- ❖ Withdrawals from Vanguard – submit reimbursement request form – no need to send receipts
- ❖ Withdrawals from Fulton Bank – Use debit card or optional checks

### Tax Advantages

- ❖ Your contributions through a Section 125 payroll withholding are pre-tax
- ❖ Any additional contributions you make direct to your account are tax deductible
- ❖ Withdrawals for eligible medical expenses are tax-free. This includes medical, dental, and vision expenses.
- ❖ Withdrawals for any other non-medical reasons are allowed but are taxable and subject to a 10% penalty. (Penalty does not apply after age 65.)

### Maximum Annual HSA Contribution For 2008

- ❖ Single Account – \$2900
- ❖ Family Account – \$5800
- ❖ Catch up provision if you are age 55 by 12/31/08 - \$900 for account holder only
- ❖ Maximum includes employer contribution
- ❖ Note: Unless you meet the requirements outlined below, your contribution must be prorated based on the number of full months during 2008 that your insurance is in force. Divide the maximum, including any catch-up by 12, then multiply by the number of full months your insurance will be in force during 2008
- ❖ If you become eligible for an HSA anytime on or before December 1 of any year you can contribute as if you were eligible for the entire year. This is true as long as you continue to be covered by a qualified high deductible health plan (HDHP) for a 12 full months beginning with December of the year in which you became eligible for an HSA.

### Investment Options

No-load mutual funds are available through Health Savings Administrators – no minimums.

- ❖ Choice of 22 no-load mutual funds
- ❖ Low expense ratios
- ❖ No transaction or redemption fees
- ❖ Not FDIC insured

OR

Debit Card from Fulton Bank

- ❖ Interest paid on balances of \$100 or more
- ❖ APY varies depending upon balance
- ❖ APY subject to change – see website
- ❖ No interest on balances below \$100
- ❖ FDIC insured
- ❖ Optional checks available

### How Do You Get Started?

- ❖ Select your HSA high deductible insurance coverage.
  - ❖ Complete the HSA enrollment form.
  - ❖ Select your investment option –mutual fund or Fulton Bank debit card
  - ❖ Calculate your desired payroll deduction and complete the payroll request form.
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## *HSA Fund Advantage Mutual Funds Choices*

The funds listed below are a non-deposit investment product, the Fulton Bank HSA Fund Advantage Account, that is not insured by the FDIC or any Federal Government Agency, is not a deposit or other obligation of, or guaranteed by Fulton Bank, and is subject to investment risks, including possible loss of the principal amount invested.

<b>Fund</b>	<b>Ticker Symbol</b>
Goldman Sachs FS Government FST	FGTXX
Eaton Vance Tax-Managed Emg Mkts I	EITEX
Harbor International Instl	HAINX
Federated Total Return Bond Instl	FTRBX
T. Rowe Price Dividend Growth	PRDGX
T. Rowe Price Growth Stock	PRGFX
MFS Value I	MEIIX
Lazard Mid Cap Instl	LZMIX
Columbia Acorn Select Z	ACTWX
Fidelity Advisor Value I	FVIFX
T. Rowe Price Short-Term Bond	PRWBX
Loomis Sayles Small Cap Value Instl	LSSCX
Fidelity Advisor Small Cap I	FSCIX
Columbia Small Cap Value II Z	NSVAX
T. Rowe Price Retirement 2010	TRRAX
T. Rowe Price Retirement 2015	TRRGX
T. Rowe Price Retirement 2020	TRRBX
T. Rowe Price Retirement 2025	TRRHX
T. Rowe Price Retirement 2030	TRRCX
T. Rowe Price Retirement 2035	TRRJX
T. Rowe Price Retirement 2040	TRRDY
T. Rowe Price Retirement 2045	TRRKX

### **Fees**

<b>Account Set-up Fee</b>	\$20.00
<b>Administration Fee</b>	\$36.00 per year
<b>Mutual Fund Specific Fees</b>	Account maintenance fee- .0009 per quarter times account balance, capped at \$20,000 account balance per fund. Mutual Fund Account maintenance fees will be deducted from account balance quarterly
<b>Debit Card Specific Fees</b>	Fulton Bank Debit Card account fee- \$ 24.00 per year additional