

## Health Savings Account Frequently Asked Questions

### Q. What is a high-deductible health plan (HDHP)?

**A.** Essentially, the HSA-qualified high-deductible health plan\* is health insurance that does not cover first-dollar medical expenses. The deductible must apply to all medical costs covered by the plan, and the HDHP must have:

A minimum deductible of

- \$1,700\*\* for self-only coverage and
- \$3,400\*\* for family coverage.
- A maximum out-of-pocket limit (including deductibles and co-pays) of \$8,500\*\* for individuals and \$17,000\*\* for families.

\*Other criteria apply. Check with your insurance provider or tax advisor to ensure that the HDHP is HSA-qualified. \*\*Amounts for 2026. Adjusted annually for inflation.

### Q. What happens if I spend my HSA money on non-qualified expenses?

**A.** HSA funds used for anything other than “qualified medical expenses” are taxable as income and subject to an additional 20% tax penalty. After you turn age 65, or if you become disabled, the 20% additional tax penalty no longer applies. Please consult a tax professional.

### Q. What medical expenses qualify?

**A.** Qualified medical expenses include:

- Most medical care and services
- Prescriptions and over-the-counter drugs, such as aspirin
- Dental and vision costs, even if they are not covered by your insurance plan
- Healthcare coverage during periods of unemployment
- Qualified long-term care insurance

### Q. Who can contribute, when, and how much?

**A.** You or any other person, including an employer or a family member, can make HSA contributions on your behalf by the tax-filing deadline. Money can be deposited into the account each year that you are eligible, up to the amount specified by law. Maximum HSA contribution limits are as follows:

	<b>Self-Only Coverage</b>	<b>If 55 years or older</b>	<b>Family Coverage</b>	<b>If 55 years or older</b>
<b>2026</b>	\$4,400	\$5,400	\$8,750	\$9,750

Individuals 55 years of age or older can make additional “catch-up” contributions, with \$1,000 annual maximums.

Visit the U.S. Department of Treasury at: <http://www.treasury.gov/resource-center/faqs/taxes/Health-Savings-Accounts.aspx> for more information on the Health Savings Account.