

Q: What is an HSA and how does it work?

A: A Health Savings Account (HSA) is a tax-advantaged account that works in conjunction with an HSA-eligible health plan that meets IRS guidelines and allows the participant to save tax-free money for eligible medical expenses. Money in an HSA rolls over year after year and is owned by the participant even if they change jobs or health plans.

Q: What expenses are eligible?

A: Any out-of-pocket and unreimbursed medical expenses allowed under section 213(d) of the Internal Revenue Code, including medical premiums (under limited circumstances) and long-term care expenses. A complete list can be found at HorizonBlue.com/myway.

Q: What are the IRS guidelines the health plan must meet?

A: An HSA can only be opened with a health plan that meets the following IRS rules:

Minimum deductible:

Single	Family
Min Deductible 2017: \$1,300	Min Deductible 2017: \$2,600
Min Deductible 2018: \$1,350	Min Deductible 2018: \$2,700

Out of pocket maximum:

Single	Family
Out of Pocket Max 2017: \$6,550	Out of Pocket Max 2017: \$13,100
Out of Pocket Max 2018: \$6,650	Out of Pocket Max 2018: \$13,300

Q: How is an HSA funded?

A: Contributions to an HSA can come from the account holder, the employer or both. The HSA contribution limits for individual or family health plans change annually and are as follows:

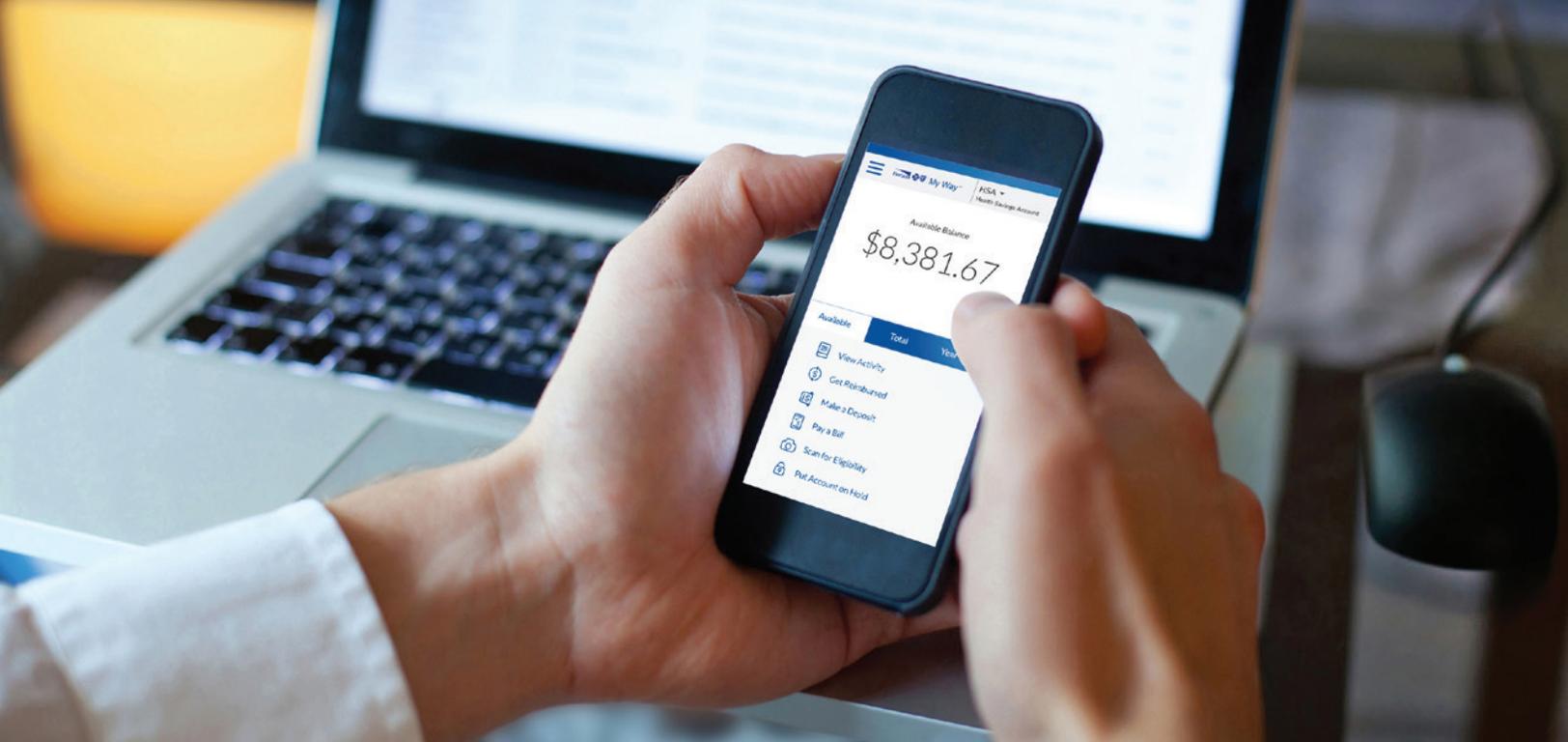
Single	Family
Contribution Limit 2017: \$3,400	Contribution Limit 2017: \$6,750
Contribution Limit 2018: \$3,450	Contribution Limit 2018: \$6,900

Once age 55, individuals can contribute an additional \$1,000 towards their HSA account.

Q: How do employees save on taxes?

A: Account holders receive a "triple tax benefit:"

- Taxable income reduction:**
 Contributions to their HSA are pretax, which lowers their taxable income and stretches their dollars further.
- Tax-free earnings:**
 Horizon MyWay offers competitive interest rates and investment options for eligible HSA plans. This growth is never taxed.
- Tax-free distributions:**
 The funds in their HSA are not subject to taxation when they are used to pay for eligible expenses.



Q: What investment options are available?

A: The account holder can leave their entire HSA balance at Horizon MyWay, where it earns interest, or choose to invest a portion of it. Once an HSA base balance exceeds \$1,000, the account holder can open a basic, self-directed investment account, giving them access to more than 30 no-load and load-waived pre-selected mutual funds. At least \$1,000 must be kept in the base balance of the HSA account. A wide variety of pre-selected mutual funds are offered by Horizon MyWay through Devenir Investment Advisors, LLC, a registered investment advisor and Horizon MyWay's investment advisor for the optional investment program.

In addition, when the basic investment account balance exceeds \$10,000, the account holder can open a self-directed brokerage investment account with Charles Schwab. This account allows access to more than 2,500 mutual funds from a variety of fund families, as well as stocks, bonds and other investments

Q: Do you have an FDIC-insured account?

A: Yes, Horizon MyWay offers FDIC-insured account options.

Q: Is a debit card available?

A: Yes. A Horizon MyWay Visa® Debit Card is available for eligible medical expenses, and can be used at the point of purchase or after care.

The Horizon BCBSNJ Difference

When you partner with Horizon Blue Cross Blue Shield of New Jersey (BCBSNJ), you'll be working with health care experts committed to providing superior, innovative products and programs for you and your employees. Even better, we always put your needs first—and that makes all the difference.



Horizon MyWaySM Mobile App

The Horizon MyWay app offers members a range of tools to manage their health spending and savings accounts. Available January 2019.



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