

## ACCOUNT SPECIFICS

### Account Access

Write checks or use your HSA debit card from your account; Internet Bill Pay also available

### Earn Interest

Tiered rates available; earnings are tax-deferred

### Minimum to Open

\$100

### Annual Fee

\$30

### Contribution

#### Amounts for 2009

*Subject to change yearly with cost-of-living increases.*

The lessor of the amount of your deductible or:  
\$3,000 for individuals  
\$5,950 for families

### Catch-up contributions

Those age 55 to 64 are eligible

### Monthly Statement

Check images provided with monthly statement; E-statements also available

### Frequently Asked Questions *(continued from inside)*

**What if I don't use the money in my HSA?** Unlike a flexible health spending account, the funds in your HSA stay in your account and continue to grow. After age 65, unused HSA funds can be used for retirement. Unless used for qualified medical expenses, funds distributed will be subject to income tax.

**What are some other advantages?** You own and control the money in your HSA. You decide how much to contribute and which expenses to pay from the account. You also decide how and where to grow your funds.

**FSB FARMERS STATE BANK**

*Growing With You*

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# HEALTH SAVINGS ACCOUNTS



**FSB FARMERS STATE BANK**

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# THE HEALTHY WAY TO SAVE

Farmers State Bank offers a great new financial tool to help with the high cost of healthcare. It's called a Health Savings Account, and it's a smart way to save money for future health related expenses. Visit us today to discuss how a Health Savings Account will work for you.



## GREAT BENEFITS

If you have a high-deductible health insurance policy but need help with the day-to-day medical expenses like prescriptions and office visits, we have the answer. It's called a Health Savings Account.

### TAX-FREE BENEFITS

A Health Savings Account (HSA) is a lot like an IRA, where you can save money in a tax-deferred manner to take care of future expenses. The primary difference is that funds used for qualified medical expenses are never taxed!

### SAVINGS CARRY OVER

Your HSA balances will carry forward year after year, allowing you to budget for your health expenses and build up your savings to cover qualified medical expenses when the need arises.

### INDIVIDUAL OWNERSHIP

An HSA is owned by you, not your employer. So, if you change employers, your HSA moves with you.

### START SAVING TODAY

Visit us today to find out how a Health Savings Account can work for you.

## FREQUENTLY ASKED QUESTIONS

**Who can qualify for a Health Savings Account?** If you're covered by a high-deductible health plan (HDHP), not eligible for Medicare and can't be claimed as a dependent on someone else's tax return, you may be eligible for a HSA. Restrictions do apply, so talk to a bank professional for eligibility requirements.

**What is a high-deductible health plan?** It is a plan with an annual deductible of at least \$1,150 for individual coverage or \$2,300 for family coverage.

**How much can I contribute in a year?** For 2009, you can contribute your full deductible amount up to \$3,000 (individual coverage) or \$5,950 (family coverage). These amounts will be adjusted for cost-of-living increases. Catch-up contributions are available for those age 55 to 64.

**How does an HSA work?** It works just like a checking account, so you can add money to it any time and simply write a check for qualified medical expenses.

**How many withdrawals do I get a month?** Withdrawals are limited to the balance in your account.

### What is a qualified medical expense?

- Actual medical expense including doctor visits, prescriptions, over-the-counter drugs, transportation to get medical care, and dental care
- Long-term care insurance
- Healthcare coverage when unemployed
- Certain continuation of benefit healthcare coverage
- Certain health care insurance after age 65

*Note: Prior to age 65, use of HSA funds for non-qualified medical expenses are subject to a tax and a 10% penalty.*