



# 7 tips you need to know for contributing to your health savings account (HSA)

An HSA is a long-term savings vehicle that allows you to save tax-free money to pay for current and future out-of-pocket healthcare expenses. While there is no magic formula to determine how much you should contribute, here are 7 things to consider.

1

## IRS CONTRIBUTION LIMITS

The IRS limits how much you can contribute to your HSA annually

### 2023 LIMIT FOR INDIVIDUAL

**\$3,850**  
per year

### 2023 LIMIT FOR FAMILY

**\$7,750**  
per year

If you and your spouse both have an HSA, you can each contribute up to the self-only limit. The family limit is per household.

2

## THINK ABOUT YOUR BUDGET

Review your finances and determine how much you can afford to contribute

Contributions can be deducted from your paycheck pre-tax

One-time or recurring tax-deductible contributions can be made to your HSA



3

## CONSIDER LAST YEAR

Think about how much you spent on healthcare last year...then, ask yourself:

Was this a typical year?

Are there circumstances or upcoming events that may cause my spending to increase or decrease next year?

### LAST YEAR

\$					
		\$			
	\$\$\$				\$\$\$
		\$			

4

## THINK ABOUT NEXT YEAR

Predict the health expenses your family will incur next year. At a minimum, contribute what you know you'll spend

Add up your family's estimated expenses:

- Prescriptions
- Doctor visits
- Dental and vision care

Don't forget events such as

- Childbirth
- Surgery
- Medical procedures

### NEXT YEAR

	?	?			
					?
?		?			
			?		

5

## CONSIDER YOUR DEDUCTIBLE

Do you think you'll meet your deductible next year?

If you're not exactly sure what you'll spend, having enough in your HSA to cover your deductible is a great strategy



6

## PLAN FOR THE UNEXPECTED

Are you typically a high healthcare user?

It will probably benefit you to add some 'buffer funds' on top of what you know you'll spend

or

Are you generally healthy and a relatively low healthcare user?

You may consider forgoing additional wiggle room



7

## BUILD A NEST-EGG

Healthcare expenses can skyrocket into retirement

If you can afford to contribute up to the limit, consider doing so to plan for your future

With an HSA, your money is yours to keep, even if you change employers

Funds roll over year after year, can be invested, and earn interest tax-free

