

# MANAGING YOUR MONEY



## Health Savings Accounts And Voluntary Insurance

(NAPSA)—A growing number of consumers believe Health Savings Accounts—also known as HSAs—offer the right prescription for comprehensive health coverage.

A recent survey of 1,000 Americans suggests potential growth for HSAs, providing more Americans become aware of the new accounts.

Established by the federal government in 2003, HSAs make it possible for an adult who is already covered by a high-deductible insurance account to save for qualified medical and retiree health expenses. Money contributed to an HSA account is saved on a pretax basis.

According to the U.S. Treasury Department, money contributed to an HSA belongs to the account holder and is completely portable. Funds in the account can grow tax-free through investment earnings, just like an IRA.

Funds distributed from the HSA are not taxed if they are used to pay qualified medical expenses.

Because an HSA may require time to grow to pay out-of-pocket expenses, consumers will sometimes turn to other types of insurance to supplement an HSA.

For some, voluntary insurance policies are the missing piece in their coverage. Those products can help strengthen primary health plans by providing cash benefits directly to the policyholder to cover out-of-pocket costs such as deductibles and loss of earning power.

Aflac is among the companies that offer HSA-compatible products that can benefit a consumer



**Experts say voluntary insurance policies may be used to supplement the missing indispensable piece of a Health Savings Account (HSA).**

in a number of ways, such as:

- Alleviating concerns that the HSA may not have enough money to cover out-of-pocket expenses such as deductibles, co-payments and other costs

- Giving the policyholder the option of not dipping into the HSA, thereby maximizing its benefits and allowing the account to grow for future needs

- Providing money that is paid directly to the policyholder, enabling him or her to choose how best to use it (e.g., living expenses such as mortgage, etc.)

- Improving employer relations and retention.

Even when medical expenses are covered through an individual's medical plan, loss of income and nonmedical expenses can have a major financial impact. Regardless of major medical coverage, Aflac provides money paid directly to the policyholder to use any way he or she chooses.

To learn more, visit the Web site at [www.aflac.com](http://www.aflac.com).