



spotlight on health

Investing For Retirement While Saving For Health

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(NAPSA)—Any time of year can be the right time to consider setting up a Health Savings Account (HSA). If you need a new way to reduce taxes while you put money away, an HSA may be just the thing for you.

These high-deductible health insurance plans coupled with IRA-style savings accounts are really pretty easy to understand, offer a number of benefits and are becoming more popular.

What is an HSA? HSAs were developed to maximize your savings on health insurance while providing a valuable tax break. The two parts of an HSA program are an eligible, high-deductible health plan and a tax-advantaged savings account. For an individual, an HSA-eligible health insurance plan must have an annual deductible of at least \$1,050 for individuals and \$2,100 for families. Online health insurance agents like eHealthInsurance.com have a variety of HSA-eligible health plans from insurance companies you know and trust.

The second part of an HSA program is an IRA-style savings account that allows you to reduce your taxable income by building savings. You can deposit funds up to the total of your health plan's deductible into the HSA each year. So, within certain regulatory limits, the higher your health plan's deductible, the more you can tuck away tax-free.



Like an IRA, the Health Savings Account is meant to encourage you to save for retirement by investing pretax dollars.

How does the Tax Savings work? If you make \$40,000 a year and you put \$2,000 in your HSA, you'll only pay taxes on \$38,000. Like an IRA, the HSA is meant to encourage you to save for retirement. Funds placed into your HSA can be invested and the balance will roll over each year into retirement.

You can use your HSA funds to cover medical expenses such as over-the-counter drugs, eyeglasses, co-payments and any medical costs incurred before your annual deductible is met.

Visit eHealthInsurance.com to learn more about HSAs and get a free health insurance quote. Just enter your zip code and age to find plans available near you. If you're looking for a way to maximize your tax savings while reaping the benefits of a quality health plan, take a look at your HSA options today.