
NOTES ON HOW TO DETERMINE YOUR HSA AMOUNT

An HSA is a tax free savings account that can be used for insurance premiums & expenses. This type of plan is offered by your employer. Because it's tax free, it's wise to take advantage of this plan. However, any money in the account that is unspent at the end of the year will be lost.

Therefore it's important to guess health expenses as accurately as possible!

IN=In Network

ON=Out of Network

Important Tips

- take into account health insurance premiums
- consider historical health care spending
- consider upcoming life events
- when in doubt, choose a lower amount
- keep in mind that there is typically a grace period that extends into the new year (we have until March of the following year to submit claims)

Considering History: Our Numbers

Health Care Amounts

2011 - \$1497.00

2012 - \$2917.00 (delivered baby #4)

2013 - \$1428.00

2014 - \$2507.67 (delivered baby #5)

Expenses in 2011: 2 ultrasounds (for pregnancy with #5), and the rest was mostly chiropractic

Expenses in 2013: ultrasound (for pregnancy with baby

#5), and the rest was mostly Amazon (vitamins), chiropractic, and glasses for Kid #2

Insurance Plan Deductibles

We Always Meet our In-Network Family Deductible

Ind. Deductible IN: \$300

Ind. Deductible ON: \$600

Family Deductible IN: \$600

Family Deductible ON: \$1200

Considering Expected Future Costs

Expected expenses in 2015:

Services Towards meeting Deductible:

- \$230 - kid #3 well child check (ON)
- \$200 - kid #4 well child check (ON)
- \$1200 - massage and adjustment every 3 wks for Mr. Loving (ON)

= \$1630 total expected HSA medical amount

We also expect Mrs. Loving & Baby #5 to have IN preventative care covered at 100%

Not Under Medical Deductible:

- \$200 - Flouride for Kids

= \$200 total expected vision/dental HFSA amount

\$1630

\$ 200

= \$1830 total expected 2015 medical expenses

Wrapping it up: Determining our 2015 HSA contribution

Do we expect to meet our family deductible in either in network/out of network?

- We DO NOT expect to meet our ON Family Deductible
- We DO expect for Mr. Loving to meet his ON Ind. Deductible (\$600), plus an additional \$600
- We DO NOT expect to meet our IN Family Deductible

We pay \$600 in qualified health insurance premiums. I don't expect to deliver any babies in 2015

We expect to spend \$1800 on eligible medical expenses

\$1800 expected medical + \$600 insurance premiums = \$2400 total contribution

Or, more conservatively:

\$1400 + 600 = \$2000 total contribution

Please Note: These notes are provided as general information. It is not intended as a comprehensive formula for determining your HSA contribution. Please consult with your human resources department for more information regarding your situation.