



HSA Rates & Tax Info



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HSA Fee and Interest Rates

Minimum Account Balance and How We Determine the Interest Rate

There is no minimum account balance required to open a Health Savings Account (HSA) or to obtain the annual percentage yield disclosed. We use the daily balance method to calculate the interest on your account. The daily balance method applies a daily periodic rate to the principal in the account each day. Interest is compounded monthly and credited monthly. Interest begins to accrue no later than the business day that we receive credit for the deposit of non-cash items (for example, checks). The interest rate and annual percentage yield (APY) is based on the balance in your account. If you close your account, interest that has accrued but has not yet posted will not be paid. The interest rate and annual percentage yield available on your account is as follows, effective as of September 1, 2021.

Daily Balance	Interest Rate	APY
\$25,000 or more	0.15%	0.15%
\$5,000.00 - \$24,999.99	0.05%	0.05%
Less Than \$5,000	0.01%	0.01%

This interest rate is subject to change at our discretion at any time. Fees may reduce your earnings.

Note: Please refer to the HSA Bank Health Savings Account Fee and Interest Schedule provided to you when you opened your account. If you need a current fee schedule or have questions about your Health Savings Account fees, please call (855) 731-5213, Monday through Friday, 7 a.m. – 7 p.m., CT.

IRS-Qualified Medical Expenses

What does an HSA pay for?

The tax-free dollars you save in an HSA can only be used to pay for "IRS-qualified medical expenses." These include:

- Medical expenses before you meet your health plan deductible
- Dental care services
- Vision care services
- Prescription drugs

- Over-the-counter medications prescribed by your doctor
- Certain medical equipment

You can find a list of IRS-qualified medical expenses on the IRS website by viewing IRS Publication 502 - Medical and Dental Expenses (<http://www.irs.gov/pub/irs-pdf/p502.pdf>). If you have questions about the eligibility of a medical expense, please consult your tax advisor or the IRS.

Tax Forms Relating to Your HSA

HSA Bank will provide you with the following tax forms:

IRS Form 1099-SA (<http://www.irs.gov/pub/irs-pdf/f1099sa.pdf>) is provided for each HSA distribution you made in the current tax year.

IRS Form 5498-SA (<http://www.irs.gov/pub/irs-pdf/f5498sa.pdf>) indicates your HSA contributions made for the current tax year. This information is used to complete IRS Form 8889.

Instructions for IRS Forms 1099-SA and 5498-SA (<http://www.irs.gov/instructions/i1099sa/ar02.html>)

Forms you may need to complete:

IRS Form 8889 (<http://www.irs.gov/pub/irs-pdf/f8889.pdf>) to report your HSA contributions, distributions and your tax deductions from IRS Forms 1099-SA and 5498-SA. (Instructions for Form 8889 (<http://www.irs.gov/pub/irs-pdf/i8889.pdf>))

IRS Form 8853 (<http://www.irs.gov/pub/irs-pdf/f8853.pdf>). If you have a Medical Savings Account (MSA), or transferred an MSA to your HSA, this form is to report your MSA contributions and distributions. (Instructions for IRS Form 8853 (<http://www.irs.gov/pub/irs-pdf/i8853.pdf>))

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