

## EXPERIENCE COUNTS!

Thank you for your interest in a Health Savings Account. The tax advantages and cost savings are significant with this IRS-approved savings plan.<sup>1</sup>

Heritage Bank is a full service HSA custodian. We have been in the MSA business since 1997 when they first became available. When HSAs were enacted as part of the Medicare Bill in December 2003, we quickly began offering the new HSA's. We are a proven leader in the HSA field, with an affordable product to meet all of your HSA needs. You'll find the big difference between Heritage Bank and other vendors is our personal service and years of experience. Our HSA Specialists' expertise in understanding and applying the Treasury Department's HSA rules is invaluable, and our commitment to quality service is refreshing. Heritage Bank has individual and group HSA clients throughout the United States, and would enjoy working with *you* as well.

If you need more information about how HSA's work, we would be happy to visit with you. You'll find a wealth of HSA information on our website below, or visit [www.treas.gov](http://www.treas.gov).

*At your service ...*

**Heritage Bank HSA applications, forms, check reorders, HSA e-mail & other resources available online 24/7 at [www.bankonheritage.com](http://www.bankonheritage.com)!**

## CONTACT INFORMATION

### HSA Specialists:

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<sup>1</sup>Consult your tax advisor regarding the tax benefits of the HSA product. Health insurance policy must meet federal guidelines for HSA eligibility. <sup>2</sup>Second HSA debit card and any replacement cards requested \$5.00 each. All HSA debit card requests subject to standard underwriting and approval. <sup>3</sup>Call for current printed check pricing (varies by check style and subject to vendor pricing fluctuations). <sup>4</sup>Interest rate on HSA Checking is variable, and may change at any time at the Bank's discretion. Ask for a current rate sheet and disclosure. Fees may reduce earnings on the account. \$25 charge to transfer HSA to another custodian. \$25 fee if you ask us to remove an excess contribution. <sup>5</sup>Penalty for early withdrawal from an HSA CD. <sup>6</sup>Contribution eligibility based on IRS rules. Per IRS, HSA is not fully established until first deposit is made so fund your account right away. <sup>7</sup>Overdrawing your HSA account may cause the plan to be disqualified by the IRS, and overdrafts are the sole responsibility of the account holder. Bank's standard NSF handling fee will apply. <sup>8</sup>Heritage Bank accepts no responsibility for certifying distributions from the HSA account in accordance with IRS rulings.

<sup>\*</sup>The HSA interest rate used in the illustration is .10% which equates to a .10% Annual Percentage Yield. APY is accurate as of 6/3/22. Please call for current rates.

# Health Savings Account

 **Heritage Bank**

Learn more at:

<http://www.bankonheritage.com/personal-services/health-savings-accounts/>



## ABOUT THE HERITAGE HSA

Heritage Bank is pleased to be able to offer you an HSA account that will meet *your* needs — fair pricing, easy access to funds, and the latest technology to help you keep track of your growing HSA balances. Plus, at Heritage you gain answers to your questions from our experienced HSA Specialists. The beauty of HSA's is that unused funds accumulate through the years for *your* future use!

Some of the important benefits of our HSA Checking Account include:

- ☑ Unlimited access by HSA debit card or check with *no transaction fees*.
- ☑ First debit card available at *no charge*.<sup>2</sup>
- ☑ One box of wallet-style HSA checks *FREE*. Reorders available at regular retail price.<sup>3</sup>
- ☑ Monthly bank statements *with images* of your checks at *no charge*. Plus, now you can even get secure *e-statements* at *no cost!* No more waiting on the mail or digging through piles of paper statements sitting around the house or office at year-end.
- ☑ Earn interest on your HSA balance so long as you keep at least \$50 in the account.<sup>4</sup>
- ☑ Invest excess balances in an HSA Certificate of Deposit at market yields if you choose.<sup>5</sup>
- ☑ Utilize our *free* Internet, Telephone and Mobile Banking systems to access account information 24 / 7 for added convenience!

- ☑ We report your contributions (Form 5498-SA) and distributions (Form 1099-SA) to the IRS each year as required by law.
- ☑ All of this value for an affordable charge which rewards higher balances kept in your HSA Checking account:

Daily Balance <u>In HSA Checking</u>	Monthly <u>Service Charge</u>
\$0 - \$999.99	\$3.00
\$1,000-\$2,999.99	\$2.00
\$3,000 +	\$1.00

\$25.00 new account setup charge

- ☑ The interest you earn on your HSA account is credited monthly. Depending on your HSA account balance and the rate environment, the interest you earn may even offset your service charge amount, making Heritage Bank's HSA account even more valuable!

### Illustration:

\$1,000 average balance  
 x interest rate of .10% \*  
 = \$.08 interest per month  
 - \$2.00 service charge  
 = \$1.92 net cost for the month

## HOW TO PROCEED

Establishing an HSA is easy! The first step is to obtain an HSA-eligible health insurance plan with your agent, or contact us if you need to locate an insurance company that offers HSA Health Plans. We network with many of them.

*Heritage Bank's  
 HSA checking is simple  
 and convenient.*



We can proceed with the HSA plan documents and account setup once your HSA high deductible health insurance becomes effective and we receive your completed HSA Account Application and application fee. Proximity to the Bank isn't an issue with an HSA, as everything can be conducted conveniently through the mail.

Typically, HSA documents are sent out the same day we receive the application. Once we received your signed account documents back, your checks and HSA debit card (upon request) will arrive in 2-3 weeks. You can contribute to your Heritage HSA on whatever schedule works with your cash flow.<sup>6</sup> Throughout the year you'll use your debit card or checks to pay qualified medical expenses directly or to reimburse yourself for medical claims paid from your personal account. Keep careful track of your HSA account balance so as not to write checks in excess of the account balance.<sup>7</sup> As custodian, we are not required to review distributions for eligibility so there's no filing claims with an administrator, no delays in getting your money back. Just keep your medical receipts on file to substantiate your distributions to the IRS.<sup>8</sup> After year-end, we will send you a summary of your activity for the year, and report your contributions and distributions to the IRS as required. Your tax preparer will need to attach Form 8889 to your tax return as well. It's that simple!

## SERVICE YOU CAN BANK ON

At Heritage Bank, personal service is a top priority. We value each of our customers and offer you our *service you can bank on* quality pledge. Plus, if you're in Nebraska, keeping your business close to home benefits the people and economy of our great state. Thank you for choosing Heritage Bank for your HSA needs!