

See Steve Save.

Tax Advantages with an OptumHealth BankSM Health Savings Account (HSA)



Meet Steve.

Steve has had family coverage with an OptumHealth Bank HSA and a high-deductible health plan since January 2009.

- His federal income tax bracket is 28%.¹
- His state income tax bracket is 4.00%.²

Steve is now enrolled in an OptumHealth Bank HSA, an account that allows him to open a bank account that can be used to help pay, and save, for eligible health care expenses. In his words, "It's like a 401(k) plan for my health." Steve or his employer can deposit money today, and he can spend it now or save it for the future.

Here's How Steve Will Use His HSA This Year:

1. The money Steve puts into his HSA is income tax-deductible.

- In January 2009, Steve deposited \$5,950 into his OptumHealth Bank HSA, the maximum contribution for family coverage.³
- Steve's federal income tax savings on his HSA contributions for the year are \$1,904.

2. Any money Steve withdraws from his HSA to pay for eligible medical expenses is tax-free.

- This year, Steve expects to withdraw \$3,000 from his OptumHealth HSA to pay for eligible health care expenses for him and his family.⁴
- Steve will not have to pay taxes on the \$3,000 as long as he uses the funds to pay for eligible medical expenses.

3. Steve earns interest on his account, and it is not taxable.

- The estimated Annual Percentage Yield (APY) on Steve's OptumHealth HSA is 1.40%.⁵
- After one year, Steve accumulates approximately \$41 of tax-free interest (based on a net contribution to his HSA of \$2,950: \$5,950 contributed minus \$3,000 in expenses).
- Steve does not have to pay taxes on his earnings.

4. The amount not spent during this year carries over for use in future years.

- Steve will carry over approximately \$2,991 HSA dollars (contributions minus expenses plus account earnings) into 2010.
- Remember, with a traditional plan, Steve wouldn't have this carryover option, which helps him save for future health care costs.

What Did Steve Save?

\$ 41.00 in interest earnings

1,904.00 in tax savings on his contribution

\$1,945.00 in total savings for the year when compared to a traditional plan.

Plus, he starts next year with \$2,991.00 in his HSA.

OptumHealthBankSM

Member FDIC

**Health Savings Accounts:
A Health-Wise Investment
for Your Future.**



Deposit

Deposit your health care dollars.



Grow

Grow your savings.



Save

Save on taxes.



Pay

Pay for health care, now or later.

Steve gets triple tax savings:

1. The money he puts into his HSA is income tax-deductible.
2. Any money he takes out of his HSA to pay for eligible medical expenses is not taxable.
3. Any interest he earns is not taxable, and he has the chance to build a health care nest egg for the future.

See Steve's Balance Grow.

If Steve continues depositing \$5,950 a year and spending \$3,000 on health care...

In 5 years⁵

- Steve's net account contribution total is \$14,750.
- His tax savings (on his account contributions) are \$9,520.
- His earnings on his account are \$631.
- His tax savings (on account earnings) are \$202.
- **The value of his HSA is \$15,381.**

In 15 years⁵

- Steve's net account contribution is \$44,250.
- His tax savings (on his account contributions) are \$28,560.
- His earnings on his account are \$5,295.
- His tax savings (on account earnings) are \$1,694.
- **The value of his HSA is \$49,545.**

Steve's HSA and all amounts listed here are estimates and hypothetical examples of the potential savings with an HSA and a High-Deductible Health Plan. Individual savings can vary depending on the health care plan, the HSA account type, interest rate and amount deposited. Create your own HSA savings scenario by using our online calculators at OptumHealthBank.com.

See for Yourself at OptumHealthBank.com.

Use our calculators to help estimate your HSA savings and how your savings could grow to pay for future health care expenses.

¹Your tax bracket is based on your annual income. Please see www.IRS.gov to find out your tax bracket.

²While HSAs were created by the federal government, states can choose to follow the federal tax treatment guidelines or establish their own. Some states have chosen to tax HSA contributions. Talk to your financial advisor, or consult your State Department of Revenue for more information.

³There are contribution limits, set by law and adjusted annually. In 2009, the contribution limit is \$3,000 for individual coverage and \$5,950 for family coverage.

⁴Qualified medical expenses include medical care and services, as well as dental and vision care, prescription drugs and over-the-counter drugs. HSA dollars may even be applied to acupuncture, chiropractic services, prescription sunglasses, contact lenses, LASIK surgery, braces and hearing aids. A list of eligible and ineligible expenses along with IRS links is available to you at OptumHealthBank.com.

⁵Hypothetical example assumes a 1.40% Annual Percentage Yield (APY). APYs current as of 03/15/09 for the following balance ranges: \$2,000-\$4,999, 1.40% APY; \$5,000-\$14,999, 1.95% APY; \$15,000+, 2.50% APY. Interest rates and APYs subject to change at any time. Fees may reduce earnings on account.