

Top 20 Reasons to Open An HSA in 2007



1	Save Money #1 – Deduct up to \$7,250 on Your 2007 Tax Return. Possibly Even More than Your Deductible Amount	You can deduct your HSA contribution and save money even if you do not itemize your taxes. With deduction amounts of up to \$7,250 (family plus two \$800 catch up contributions) the tax savings can be substantial. For 2007, you can deduct up to the government maximums (\$5,650 family and \$2,850 single) even if your deductible amount on your insurance is less (you must still have a High Deductible Health Plan). Check out HSA Resources' Tax Savings Worksheet to see how much you can save. See our 2007 Contribution Worksheet for 2007 contribution limits.
2	Save Money #2 – Cut Your Health Insurance Costs	High Deductible Health plans can be significantly cheaper than low deductible plans. The savings, put into an HSA, can be used to cover your entire medical expenditures for the year or better yet rolled over and saved for future years.
3	Save Money #3 – Pay for Eligible Medical Expenses Tax Free	Use your HSA to pay for <i>eligible</i> medical expenses tax free. See HSA Resources' Eligible Medical Expenses list for a list of eligible and not eligible expenses. If you have an HDHP you must open your HSA before you incur any medical expenses if you want to pay for the expenses with your HSA.
4	No Use it or Lose it Provisions	There's no need to spend the end of the year stocking up on glasses, contacts and other things you don't need just so you can spend everything left in your health care account. With an HSA the funds belong to you. There are no use it or lose it provisions. Any unused funds stay in your HSA for your benefit in the future. Even better, earnings on the HSA are not taxable.
5	Take a Full Deduction Even If You Start Mid-Year	Starting in 2007, you can take a full deduction (\$5,650 family, \$2,850 single plus catch-up) even if you start mid-year. The old rule of multiplying the number of months of eligibility times 1/12 of contribution amount is gone – simply take the full amount. This makes HSAs much easier and better for 2007 contributions. Caution: A penalty applies if you fail to maintain high deductible coverage for a testing period.
6	Transfer Money from Your IRA into your HSA	Starting for 2007 contributions, you can transfer money from your Individual Retirement Account into an HSA to fund the HSA. You are limited to the amount you are eligible to contribute to your HSA for the year and you cannot make a double contribution. This is a once in a lifetime option. You must do this as a trustee-to-trustee transfer to be eligible.
7	Take Control Over Your Medical Spending.	HDHPs and HSAs give you more control over your health care expenses and let you use your money in your best interests. Take charge in 2007. HSA Resources does not control how you spend or save your money, although we do our best to give you the tools to make the right decisions. See our HSA Guide for more information.
8	Keep Your Medical Expenses Private in 2007	HSA Resources does not share your medical receipts with your employer. Your medical expenses are private. However, you do need to save your receipts for tax purposes and we provide the form to help you, see our HSA Resources Medical Expenses Tracking Sheet .
9	Start Earning Interest for Medical Savings in 2007	Tired of deferring money each year into a medical reimbursement account that pays no interest? And then takes your extra money at the end of the year? HSA Resources pays interest on all checking account balances. The interest rate increases as your balance increases.
10	Invest with \$14.95 Trades	Seeking to grow your accounts? Start an investment program. Our partnership with optionsXpress provides an excellent platform to get you started investing your excess funds. Better yet, trading costs are only \$14.95 a trade. Money market rates paid for cash account (4.20% as of fourth quarter 2007). No minimum balance required.

Open an HSA. Go to www.mnhealthcoverage.com and complete a short Application and send it to HSA Resources, PO Box 7338, St. Cloud, MN 56302. Account opening questions? Call 888.343.4422

