



Investing with your Health Savings Account

You can start investing the funds in your BenefitWallet® Health Savings Account (HSA) once you have a minimum balance of \$1,000. Investing with your HSA gives you the potential for tax-free investment growth. It is easy to get started with a broad range of mutual funds, investing guidance, and an integrated user-friendly investing portal.

Advantages of an HSA investment account

You can invest HSA funds without paying taxes on investment gains as long as the money remains in your HSA and is used to pay for qualified medical expenses.

BenefitWallet offers highly-rated funds from a variety of fund families. See the next page for a list of current investment options.

If you have an expense and need more cash in your HSA, you can transfer funds back and forth between your checking and investment account at any time.

Investment account costs

There are no transaction costs or load fees when you buy mutual funds at BenefitWallet. There may be funds that impose an early redemption fee associated with the sale of shares.

Investment expense ratios apply but are lower with only Institutional Class funds available. Please see the funds prospectus for more details.

How to open your investment account

1. Login to mybenefitwallet.com
2. Select **Investments** from the navigation bar
3. If you have the appropriate balance in your HSA checking account, the **Start Investing** button will be active; click this button to open your investment account
4. Review your personal information for accuracy and then click **Continue**
5. Decide how to fund your investment account by choosing **Automatic Investments** or **One-Time Investment** and then click **Continue**
6. Select your mutual funds and percentage to invest for each and then click **Continue**
7. After you've reviewed and confirmed your selections, click **Submit**

We're here to help

For more information visit our website at mybenefitwallet.com or call us at 877.472.4200.

BenefitWallet HSA investment lineup

Our investment offerings are segmented into passive and active strategies which gives novice and experienced investors high-performing, low-cost choices.

Passive funds Active funds

Fund category	Investment name	Symbol
Asset allocation		
Target date – passive	Vanguard Target Retirement Income	VTINX
Target date – passive	Vanguard Target Retirement 2025	VTTVX
Target date – passive	Vanguard Target Retirement 2030	VTHRX
Target date – passive	Vanguard Target Retirement 2035	VTTTHX
Target date – passive	Vanguard Target Retirement 2040	VFORX
Target date – passive	Vanguard Target Retirement 2045	VTIVX
Target date – passive	Vanguard Target Retirement 2050	VFIFX
Target date – passive	Vanguard Target Retirement 2055	VFFVX
Target date – passive	Vanguard Target Retirement 2060	VTTTSX
Target date – passive	Vanguard Target Retirement 2065	VLXVX
Target date – active	American Funds Growth & Income	GAIHX
Target date – active	American Funds Moderate Gr. & Income	BLPDX
Target date – active	American Funds Conservative Gr. & Inc.	INPDX
Passive investment strategies		
Large cap	Vanguard Total Stock Market Index	VITSX
Mid cap	Vanguard Mid Cap Index	VIMAX
Small cap	Vanguard Small Cap Index	VSMAX
International	Vanguard Total International Stock Index	VTIAX
Fixed income	Vanguard Total Bond Market Index	VBTLX
Active investment strategies		
Large cap	T. Rowe Price US Large-Cap Core	RCLIX
Mid cap	Vanguard Strategic Equity	VSEQX
Small cap	Goldman Sachs Small Cap Equity Insights	GCSIX
International	MFS International Value	MINIX
International	Oppenheimer Developing Markets	ODVIX
Fixed income	Calvert Short Duration Income	CDSIX
Fixed income	Dodge & Cox Income	DODIX
Fixed income	PIMCO Income	PIMIX
Real assets/inflation protection	PIMCO Inflation Response Multi-Asset	PIRMX
Money market	Fidelity Invt. Money Market Govt. Portfolio	FRGXX



Your savings can add up

Investing in mutual funds offers you the opportunity to benefit from the power of compound investment growth over time. In this example, an annual investment of \$3,000 can really add up, because your investment gains are compounded over the long term.

Take advantage of your earnings potential by committing to ongoing HSA investing and then stay the course.



Good to know

- At age 65 you can spend your HSA funds on non-qualified expenses and only pay regular income tax: just like a 401(k).
- Your HSA funds never expire. They roll over every year and through retirement and there are no minimum required distributions in retirement. Upon your passing your HSA converts to your spouse's HSA with no tax implications.
- Once you reach age 65 you can continue to spend the funds in your HSA for qualified expenses tax free. The list of tax-free distributions expands to cover certain Medicare premiums, including Parts A, B, D and Medicare HMO premiums.

Maximize the impact

Wondering how to choose between saving in your HSA, 401(k), or IRA? Financial experts provide the following guidance to help their clients choose between retirement savings vehicles. Speak to your own advisor for more insight.

Priority Strategy

- 1** **If your employer offers matching 401(k) contributions**, start by funding your 401(k) up to the company match amount. If no 401(k) match is available, start with your HSA.
Contribute the annual IRS HSA limit. HSA funds can be used anytime – tax free – for medical expenses, including in retirement. After you turn age 65, your HSA funds may be used for any purpose, not just for qualified health care expenses. Your 401(k) does not offer this combination of tax and spending benefits.
- 2** **Continue funding your 401(k) or IRA** if you still have money to save, go back to funding your other retirement savings accounts and target the maximum allowable amounts.



Get started today

Sign up for your HSA investment account by visiting mybenefitwallet.com. Select **Investments** from the top navigation bar.

If you have questions, call us at **877.472.4200**. **Remember: it's your money. Save it smarter in your BenefitWallet HSA.**

HSA investment account:

Frequently asked questions

Can I invest my Health Savings Account (HSA) dollars?

Yes. Unlike other savings accounts, the HSA has no provision insisting you “use or lose” your account dollars at the end of the year. Any funds you do not use in a given plan year remain in your interest-bearing account for future qualified medical expenses.

When can I start investing my HSA?

Your BenefitWallet HSA begins with an FDIC-insured, interest-bearing checking (transactional) account; all HSA deposits are first credited to this account. Once your HSA checking account balance reaches the minimum balance required in your rate and fee schedule found on mybenefitwallet.com, you may:

- Elect to transfer the excess balance to an HSA Investment Account.
- Transfer additional HSA dollars from your HSA checking account to your HSA investment account. You may add additional investment options online.
- Establish an automatic investment schedule, which allows you to make regularly scheduled investments each month.

Your HSA investment account offers investment options from a variety of fund families.

Is the interest earned from my HSA investment account taxable income?

No. Contributions, interest, investment earnings, and withdrawals for qualified medical expenses are not taxed for federal income tax and state income tax (in most states). Current taxes and IRS penalties may apply to nonqualified withdrawals. For a list of qualified medical expenses, visit the IRS Web site at www.irs.gov.

Is there a minimum investment amount I would need to make?

There is no minimum investment. That means that your initial investment minimum can be as little as \$1.00, once your HSA checking account balance is reached according to your rate and fee schedule found on mybenefitwallet.com.

How often can I change investments?

You can move your assets among investments as often as you like. You will have access to your HSA investment account online, 24 hours a day and 7 days a week (other than during periods of scheduled maintenance).

Is there a fee for transferring funds back into my HSA checking account?

No. You can transfer HSA dollars back and forth between your HSA checking account and your HSA investment account online, at any time.