

Health savings accounts (HSA)

Enroll in an HSA and start saving today!

An HSA is a personal savings account that allows you to set aside pre-tax dollars for current and future health care expenses for you and your dependents.

How an HSA works

You are eligible to open an HSA if you are enrolled in an HSA-qualified high-deductible health plan. Your HSA can be funded by a pre-tax payroll contribution, online banking transfer, or a direct contribution. Then, you can:

- Use your funds to pay for qualified health care expenses
- Preserve your funds for tax-free growth
- Invest your funds for long-term savings

IRS contribution limits for 2026



Note: There is an option for account holders ages 55 and older to add an additional \$1,000 catch-up contribution annually.

Investing your HSA funds

HSAs are a powerful savings tool for your retirement. Once your account balance reaches \$500 and is maintained, it can be invested for growth¹, just like a 401(k). You can choose from three investment paths:

- Managed
- Self-directed
- Brokerage

You can move your investment funds to your cash account anytime, and any withdrawals made to pay for qualified health care expenses are still tax-free. You can access both your HSA cash balance and investment account by logging in at ibx.com or using the IBX mobile app.

Easy access to HSA funds

Use your debit card to pay providers directly, or pay with personal funds and withdraw money from your HSA to reimburse yourself.

Why an HSA may be right for you

There are many benefits to opening an HSA account:

- HSA-qualified health plans typically have lower monthly premiums, allowing you to contribute those savings to an HSA.
- Your savings are yours to keep, even if you change health plans or employers down the road.
- Unlike a Flexible Spending Account (FSA), unused funds stay in your account from year to year and earn interest tax-free, so you can choose the interest rate option to meet your needs — high-yield or traditional.
- The high-yield interest option can help you earn higher interest on your HSA cash balance.
- Money goes in tax-free and grows tax-free, and withdrawals are tax-free if used on eligible expenses.^{2,3}

Qualified health care expenses³

Common qualified expenses	Expenses that don't qualify
• Copays, deductibles, coinsurance	• Expenses incurred before opening your HSA
• Prescriptions	• Cosmetic procedures or surgery
• Dental exams, X-rays, orthodontia	• Dental products for general health
• Vision exams, frames, contact lenses	
• Physical therapy and chiropractic care	
• First aid kits	
• Over-the-counter medications	

Online and mobile access

Get instant access to your account by logging in at ibx.com.

You can:

- View account balance and activity
- Submit qualified expenses for reimbursement
- Make contributions
- Invest your HSA and view investment activity
- Sign up for direct deposit
- View important alerts and communications

Download the IBX app from the App Store or Google Play.



Helpful hints

- You must have funds in your HSA before you can spend them.
- You can change your contribution amount at any time.
- Save your receipts because the IRS may audit your HSA transactions.
- You can claim a tax deduction for any direct contributions to your account with post-tax dollars.

¹ The balance in the HSA investment account is subject to investment risks, including fluctuations in value and the possible loss of the principal amount invested. Investing through the WealthCare Saver investment platform is subject to the terms and conditions of the Health Savings Account Custodial Agreement and any applicable investment supplement(s).

² Tax savings are at the federal level. State tax policies vary.

³ Refer to IRS publications 969, 502, and code section 213(d). These publications are available at irs.gov for further guidance.

Independence Blue Cross does not provide legal or tax advice. Consult your legal and/or tax advisor for rules regarding the tax advantages of spending accounts.

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