

Investing with your PayFlex® HSA

Looking to grow your health savings account balance?



If you're a PayFlex health savings account (HSA) member, you have the opportunity to grow your HSA balance by investing in a variety of mutual funds. An HSA is basically a 401(k) for health care.

There aren't many accounts where you can make tax-free contributions and tax-free withdrawals, and enjoy tax-free growth.* So, why not use your HSA to help maximize your potential to save for your future?

The benefits of investing

Once you have a minimum balance in your HSA, you can open an investment account and start investing your HSA dollars. With an investment account, you can take advantage of the following benefits:

- Access to a diversified group of mutual funds, each professionally managed by an investment adviser
- Integration with Morningstar® research data
- 401(k)-like investment capabilities with no transaction fees for trading
- Tax-free* growth

Did you know?

For many Americans, health care is likely to be one of their largest expenses in retirement.

Recent estimates say that a 65-year-old couple retiring this year will need an average of \$220,000¹ to cover medical expenses throughout retirement, not including nursing home care.

*Please note that not all states provide favorable income tax treatment for HSAs.

¹Fidelity Benefits Consulting, 2014. The estimate is based on a hypothetical couple retiring at age 65 or older, with average (82 male, 85 female) life expectancies. Estimates are calculated for "average" retirees but may be more or less depending on actual health status, area of residence and longevity. The estimate assumes that individuals do not have employer-provided retiree health care coverage but do qualify for Medicare. The calculation takes into account cost-sharing provisions (such as deductibles and coinsurance) associated with Medicare Part A and Part B (inpatient and outpatient medical insurance). It also considers Medicare Part D (prescription drug coverage) premiums and out-of-pocket costs, as well as certain services excluded by Medicare. The estimate does not include other health-related expenses, such as over-the-counter medications, most dental services and long-term care.



Investments made simple

You can choose from a variety of mutual funds. If you're an HSA member, you can view these fund options in the **Financial Center** of the PayFlex member website. As an investor, you can:

- Transfer funds to and from your HSA
- Create recurring transfers to automatically take place each week, month or quarter
- View your investment account information, like investment balances, elections and recent transactions
- Manage your investment account by exchanging your investments with other investments or rebalancing your current investments to a certain percentage



Getting started

You may open an investment account once you reach the minimum balance (typically \$1,000) in your HSA. The minimum amount is determined by your employer. Any amount above the minimum balance can be transferred from your HSA to your investment account.

Once you open an investment account, you'll be charged a monthly account fee. This fee is automatically deducted from your HSA. If you're an HSA member, you can view the HSA fee schedule on the PayFlex member website in the **Financial Center**.

To continue to move funds into your investment account, you need to have the minimum balance in your HSA at the time you want to invest. Only the amount that exceeds the minimum balance is available for investing.

Questions?

Visit the PayFlex member website. Click **Contact Us** for our customer service phone number and hours of operation.

Want to know more?

SCAN HERE to watch a short video about HSA investments.

Need a QR code reader?
Text **SCAN** to **44040**.



PayFlex Systems USA, Inc.

This material is for informational purposes only and is not an offer of coverage. It contains only a partial, general description of plan benefits or programs and does not constitute a contract. Information is believed to be accurate as of the production date; however, it is subject to change. For more information, go to www.payflex.com.

Investment services are independently offered through a third-party financial institution.

By transferring funds into an HSA investment account you can potentially benefit from capital appreciation in the value of mutual fund holdings. However, you will also be exposed to a number of risks, including the loss of principal amount invested, and you should always read the prospectuses for the mutual funds you intend on purchasing to familiarize yourself with these risks. Past performance is no guarantee of future results.

The HSA investment account is an optional, self-directed service. We do not provide investment advice for HSA investment account participants. You are solely responsible for any investment account decisions you make. Mutual funds and brokerage investments are not FDIC-insured and are subject to investment risk, including fluctuations in value and the possible loss of the principal amount invested. The prospectus describes the funds' investment objectives and strategies, their fees and expenses, and the risks inherent to investing in each fund. Investors should always read the prospectus carefully before making any investment decision.

System response and account access times may vary due to a variety of factors, including trading volumes, market conditions, system performance and other factors.

Morningstar, Inc., Morningstar, the Morningstar logo and Morningstar.com are registered trademarks of Morningstar, Inc.

