



## 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](https://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](https://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.

		<u>P</u> – Prospectus	<u>M</u> – Morningstar	
Passive funds	Active funds			
Investment name	Symbol	Resource link	Fund category	
<b>Asset allocation</b>				
Vanguard Target Retirement Income	VTINX	<u>P</u>	<u>M</u>	Target date – passive
Vanguard Target Retirement 2020	VTWNX	<u>P</u>	<u>M</u>	Target date – passive
Vanguard Target Retirement 2025	VTTVX	<u>P</u>	<u>M</u>	Target date – passive
Vanguard Target Retirement 2030	VTHRX	<u>P</u>	<u>M</u>	Target date – passive
Vanguard Target Retirement 2035	VTTHX	<u>P</u>	<u>M</u>	Target date – passive
Vanguard Target Retirement 2040	VFORX	<u>P</u>	<u>M</u>	Target date – passive
Vanguard Target Retirement 2045	VTIVX	<u>P</u>	<u>M</u>	Target date – passive
Vanguard Target Retirement 2050	VFIFX	<u>P</u>	<u>M</u>	Target date – passive
Vanguard Target Retirement 2055	VFFVX	<u>P</u>	<u>M</u>	Target date – passive
Vanguard Target Retirement 2060	VTTSX	<u>P</u>	<u>M</u>	Target date – passive
Vanguard Target Retirement 2065	VLXVX	<u>P</u>	<u>M</u>	Target date – passive
American Funds Growth & Income	GAIHX	<u>P</u>	<u>M</u>	Target date – active
American Funds Moderate Gr. & Income	BLPDX	<u>P</u>	<u>M</u>	Target date – active
American Funds Conservative Gr. & Inc.	INPDX	<u>P</u>	<u>M</u>	Target date – active
<b>Passive investment strategies</b>				
Vanguard Total Stock Market Index	VITSX	<u>P</u>	<u>M</u>	Large cap
Vanguard Mid Cap Index	VIMAX	<u>P</u>	<u>M</u>	Mid cap
Vanguard Small Cap Index	VSMAX	<u>P</u>	<u>M</u>	Small cap
Vanguard Total International Stock Index	VTIAX	<u>P</u>	<u>M</u>	International
Vanguard Total Bond Market Index	VBTLX	<u>P</u>	<u>M</u>	Fixed income
<b>Active investment strategies</b>				
T. Rowe Price US Large-Cap Core	RCLIX	<u>P</u>	<u>M</u>	Large cap
Vanguard Strategic Equity	VSEQX	<u>P</u>	<u>M</u>	Mid cap
Goldman Sachs Small Cap Equity Insights	GCSIX	<u>P</u>	<u>M</u>	Small cap
MFS International Value	MINIX	<u>P</u>	<u>M</u>	International
Openheimer Developing Markets	ODVIX	<u>P</u>	<u>M</u>	International
Calvert Short Duration Income	CDSIX	<u>P</u>	<u>M</u>	Fixed income
Dodge & Cox Income	DODIX	<u>P</u>	<u>M</u>	Fixed income
PIMCO Income	PIMIX	<u>P</u>	<u>M</u>	Fixed income
PIMCO Inflation Response Multi-Asset	PIRMX	<u>P</u>	<u>M</u>	Real assets/inflation protection
Fidelity Invt. Money Market Govt. Portfolio	FRGXX	<u>P</u>	<u>M</u>	Money market

## 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
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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.

2

**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.

3

**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](https://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](https://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](https://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](https://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.