



# ENHANCED HEALTH SAVINGS ACCOUNT



A Health Savings Account (HSA) is a savings account you can put money into to pay for qualified medical expenses. While you can use the funds in an HSA at any time for qualified medical expenses, you may only contribute to an HSA if you have an HSA-eligible health plan. By selecting Wright-Patt Credit Union® (WPCU®) as your HSA custodian, you'll gain the benefits of an HSA plus the extraordinary service you deserve.

Take control of how you pay and save for healthcare expenses with a WPCU Health Savings Account. Our HSA has the benefits you need to make saving for your health related expenses easy, and also earns one of our highest savings rates.\*

Here's how it works: our Enhanced HSA pays one of our highest savings rates – 7.00% Annual Percentage Yield\* (APY) – on the first \$1,000! Balances greater than \$1,000 earns a rate of 1.25% to 7.00% APY\*.

- No set-up fee
- No monthly maintenance/service fees
- No minimum balance to open an account\*\*
- Health Savings Visa® Debit Card
- Your first order of “My Health Savings Checks” free
- Access to Mobile and Online Banking

| HSA                           | APY%*          |
|-------------------------------|----------------|
| Balances \$0.01 to \$1,000.00 | 7.00%          |
| Balances Above \$1,000.00     | 1.25% to 7.00% |

WPCU is the custodian to your HSA. For technical questions about your Enhanced HSA and what qualifies as a medical expense, or for questions relating to taxes and HSA contributions, you will need to consult your employer, tax advisor or visit IRS.gov.

## ADDITIONAL BENEFITS:

**Peace of Mind** - Be prepared for high or unexpected medical bills.

**Flexibility** - Use your HSA to pay for current medical expenses, or you can save for future medical needs.

**Savings** - The money you save for future medical expenses will grow through dividends.

**Control** - You make all the decisions about how much money to put into the account and which medical expenses to pay from the account.

**Portability** - Accounts are completely portable, which means you keep your HSA even if you change jobs, change medical coverage, become unemployed, move to another state or change marital status.

**Ownership** - Funds remain in the account from year to year. There are no “use it or lose it” rules for HSAs.

## HOW TO OPEN AN ACCOUNT?

If you are already a WPCU member and have an HSA-qualified HDHP, simply add an HSA to your current accounts by:

- Logging in to Mobile or Online Banking and selecting ‘Add an Account’ under ‘Open Account or Loan’.
- From there, select HSA and follow the steps to complete the form.
- Your HSA account will appear alongside your other sub accounts.

If you are not a WPCU member\*\* and have a HSA-qualified HDHP:

- Visit [WPCU.coop/HSA](http://WPCU.coop/HSA)
- Select Become a Member
- Select Become a New Member
- Select Your Eligibility from the list of options
- Be Sure to Add a TrueSaver® Savings Account\*\*\* and Enhanced HSA from the list of product options

## WHO MAY BE ELIGIBLE FOR AN HSA?

You may be eligible for an HSA if you meet all of the following requirements†:

- You are covered under an HSA-qualified High Deductible Health Plan (HDHP).
- You are not covered by any other health plan# unless it is also a qualified HDHP.
- You are not enrolled for benefits under Medicare (generally not yet age 65).
- You are not eligible to be claimed as a dependent on another person's tax return.
- You have not received VA benefits within the past 90 days.
- You are not covered under TRICARE for retired military personnel.

## WHAT ARE QUALIFIED MEDICAL EXPENSES?

Your HSA can be used to pay for medical expenses ranging from routine doctor visits to surgical procedures.

In order for HSA assets to retain their tax-free status, they must only be withdrawn and used for qualified medical expenses permitted under federal tax law.

For the IRS's list of qualified medical expenses, visit [IRS.gov](https://www.irs.gov) or contact your tax advisor for more details.

## WHAT ARE THE TAX BENEFITS OF AN HSA?

An HSA may provide significant tax benefits†

- HSA contributions — by employer or employee — are tax-free up to the maximum allowable amount. Dividends earned and withdrawals are tax-free if used for qualified medical expenses.
- After age 65, HSA assets may be used to pay for non-qualifying expenses, however the amount withdrawn will be taxable as income. Prior to age 65, HSA assets used for non-qualifying expenses will be subject to ordinary income tax, plus a 10% penalty.
- Funds in your HSA remain in the account from year to year. There are no "use it or lose it" rules for HSAs. You can keep your HSA even if you change jobs, change your medical coverage, become unemployed, move to another state, or change your marital status.

*\*The dividend rates and Annual Percentage Yields (APYs) shown are accurate as of the declaration date of January 1, 2025. The Enhanced Health Savings Account (HSA) is a variable rate account, and the dividend rates and APYs may change after the account is opened. Fees may reduce earnings. There is no minimum balance required to open an Enhanced HSA. The minimum balance to open an Enhanced HSA is in addition to the purchase of one \$5.00 membership share in the Credit Union that is required to be maintained in your TrueSaver account. All members are required to open and maintain a TrueSaver account in order to have any other WPCU product or service. The Enhanced HSA is a tiered-rate account. For Enhanced HSA accounts, dividends are paid at the stated dividend rates and APYs only on the portion of the balance within the specified balance tier. The first dividend rate and APY shown on the Current Dividend Rates sheet will be paid only on the portion of your average daily balance that was greater than \$0.00 but less than \$1,000.01. The second dividend rate and APY shown on the Current Dividend Rates sheet will be paid only on the portion of your average daily balance that was greater than \$1,000.00. See Current Dividend Rates sheet for current dividend rate and APYs.*

*\*\*The minimum balance to open an account is in addition to the purchase of one \$5.00 membership share in the Credit Union that is required to be maintained in your TrueSaver account. All members are required to open and maintain a TrueSaver account in order to have any other WPCU product or service. For additional account information, please see the [Truth-in-Savings disclosure](#).*

*\*\*\*To join the Credit Union, you must meet the membership requirements including purchase and maintenance of at least one (1) share (membership share) as set forth in the Credit Union's Articles. You authorize us to check your account, credit, and employment history, and obtain reports from third parties, including credit reporting agencies, to verify your eligibility for the account and services you request. Accounts, services, and products offered to you may be based on information from a credit report.*

*†Consult your tax advisor for details.*

*#Other types of insurance like specific injury insurance or accident, disability, dental care, vision care, or long-term care insurance may be permitted. Visit [www.irs.gov](https://www.irs.gov) or contact your tax advisor for more details.*

