

Maximizing HSA savings potential

A guide to health savings account (HSA) investment options



Are you getting the most from your HSA?

When it comes to maximizing your employee benefits, you've already made some smart choices

You elected to participate in the HSA-eligible health plan that enables you to play a more active role in your health care. Now, because of these health-inspired choices you've made, you have access to powerful and flexible planning tools that you'll want to be sure to maximize.

Make your money go farther with an HSA Investment Account

Your HSA provides a secure financial foundation for your health and financial well-being today. But, if you want to achieve more, an HSA Investment Account provides the perfect solution.

A self-directed HSA Investment Account is available to you once your HSA balance reaches \$1,000 plus the amount you want to invest. Investment accounts link directly to your HSA for easy movement of funds back and forth. Through your HSA Investment Account, you will have access to a wide range of fund choices, designed to suit your individual needs and financial goals, managed by some of the most well-respected names in financial services such as Vanguard, Schwab, Fidelity, BlackRock, PIMCO and more.¹



Your money is your money — let's make it grow

One account with a trio of tax advantages

Currently, there is no other financial tool under the tax code that offers the same benefits as an HSA.

- 1** From the start, contributions made to your HSA, either by you or your employer, have been made on a **pre-tax** or **tax-deductible** basis and placed in an interest-bearing cash account.
- 2** When you need to use funds for qualified health expenses, you can withdraw HSA funds on an **income tax-free** basis.
- 3** Your interest earnings are generally taxed. And when you choose to invest your funds, earnings from those investments are not taxed.

Together, the triple benefits of pre-tax payroll contributions, income tax-free earnings on interest and investments, and income tax-free withdrawals for qualified medical expenses can really start adding up.²

Investments made easy

- Easy online program enrollment
- Best-in-class investment choices
- No-load funds
- Distinguished fund providers
- Multiple asset classes represented
- Low-expense ratios
- No trade fees
- Market research tools
- HSA asset allocation planner
- Simple to buy/sell/realign portfolios
- Automatic investment options
- Income tax-free investment growth
- Online and mobile access

To take advantage of potential income tax-free investment growth, open an HSA Investment Account.

HSA Investment Account features and benefits

An HSA Investment Account is simple to open and manage — you can set up an account in minutes.

Because your HSA Investment Account is linked to your HSA cash account, you can easily liquidate any investment, in part or in full, to pay for health care expenses.

There are no trade fees associated with your self-directed HSA Investment Account.



Easy
to get started



Growth
potential for
your future



Smart
hands-free
automation

Put your HSA to work for you

The earlier you chose to begin investing, the more your account can potentially grow. Even if you make regular withdrawals for qualified medical expenses, you can still build a nest egg for the future.

Say you contribute \$3,000 a year to your HSA each year until your retirement. Assuming you use \$1,500 a year for medical expenses, earn 8% a year in interest and investments, and reinvest all earnings, your savings can really add up.³

Starting age	HSA value at age 65	Tax savings
25	\$398,142	\$28,800
35	\$174,083	\$21,600
45	\$70,301	\$14,400
55	\$22,229	\$7,200



It's time to take your HSA to the next level

Ready to get started? Investments are at your fingertips.

We've made opening and managing your HSA Investment Account easy.

Once you have reached the \$1,000 minimum enrollment amount:

You have not met the \$1,000 minimum but you can pre-enroll:

Sign in to your account at premera.com and click the "Personal Funding Account" link, then select Start now in the Investments section.

Enrollment

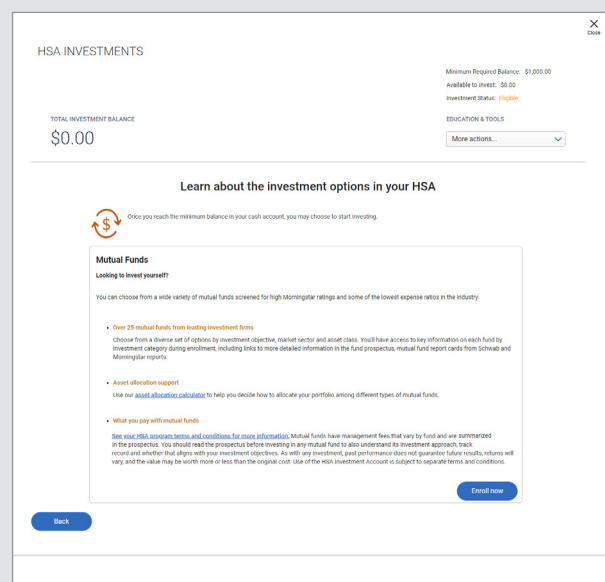
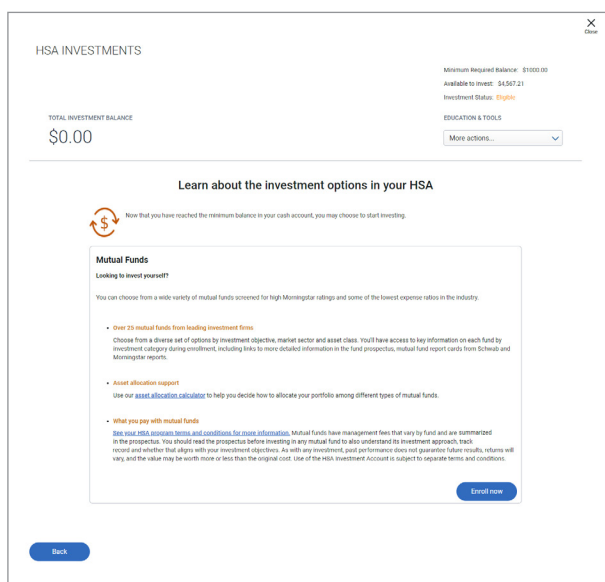
- Enter the amount you would like to invest
- Select the mutual funds you would like to invest in
- Allocate the percentages across the selected funds
- Confirm your selections
- You should receive a success message

Pre-enrollment

- Enter the amount you would like to keep in your HSA Cash account
- Select the funds you would like to invest in
- Enter the allocation percentages across the selected funds
- Confirm your selections
- You should receive a success message

When you reach the minimum amount of \$1,000, your money will be automatically applied to the funds you selected.

Investment Center Homescreen



Step 1

HSA Investments

Minimum Required Balance: \$1000.00
Available to Invest: \$4367.21
Investment Status: Eligible

EDUCATION & TOOLS
[More actions...](#)

TOTAL INVESTMENT BALANCE: \$0.00

1 — 2 — 3 — 4 — 5

INVESTMENT AMOUNT
First you will select the amount you would like to transfer from your HSA deposit account into your HSA investment account. Your HSA balance must be greater than \$1000.00. Your balance makes you eligible to transfer up to \$4367.21 to your investment account. Enter the amount you want to transfer from your HSA deposit account into the field below. Your investment maximum is \$10k.

AMOUNT:

TERMS AND CONDITIONS
Agree to the [Terms and Conditions](#)
for the HSA Investment Account below, then proceed to steps 2 & 3 to make your initial investment selections.
 I agree to the Terms and Conditions and authorize the HSA Program Administrator to process my investment account request.

HSA Investments

Minimum Required Balance: \$1000.00
Available to Invest: \$0.00
Investment Status: Eligible

EDUCATION & TOOLS
[More actions...](#)

TOTAL INVESTMENT BALANCE: \$0.00

1 — 2 — 3 — 4 — 5

INVESTMENT ENROLLMENT
Enter the amount that you would like to keep in your HSA when you begin investing. The amount entered will not be invested. Once your HSA balance exceeds this amount, enrollment will be complete and the excess funds will be automatically invested.
Once the enrollment is complete, any time your HSA balance exceeds the amount entered below, the excess funds will be invested until you choose to stop automatic investments.
This amount cannot be less than \$1000.00.

AMOUNT TO KEEP IN HSA:

TERMS AND CONDITIONS
Agree to the [Terms and Conditions](#) for the HSA Investment Account below, then proceed to steps 2 & 3 to make your initial investment selections.
 I agree to the Terms and Conditions and authorize the HSA Program Administrator to process my investment account request.

Step 2

HSA Investments

Minimum Required Balance: \$1000.00
Available to Invest: \$4367.21
Investment Status: Eligible

EDUCATION & TOOLS
[More actions...](#)

TOTAL INVESTMENT BALANCE: \$0.00

1 — 2 — 3 — 4 — 5

FUNDS SELECTION
BASIC FUNDS
Select the mutual funds you want in your portfolio at this time.
For your convenience, a basic list of funds across a wide range of categories is offered below.

- Use the research links to explore fund details.
- Select the funds you wish to add to your portfolio using the checkboxes.
- Click the "Trade Selected Funds" button to proceed to the next step.

In the next step, you will allocate your investment dollars across the funds you selected.

Although we are offering a standard group of mutual funds, we are not making recommendations or providing individual advice related to the mutual funds provided in this program. Please seek the assistance of your personal financial advisor if you need additional help in the selection of investment options.

[Select All](#) | [Unselect All](#)

Investments	Symbol	Funds Category	Research Links	Investment Minimum
<input type="checkbox"/>	Vanguard Equity Income	VERB	Large Cap Value	\$100.00
<input type="checkbox"/>	Schwab S&P 500 Index	SWPPX	Large Cap Blend	\$100.00
<input type="checkbox"/>	Vanguard Growth Index	VIGX	Large Cap Growth	\$100.00
<input type="checkbox"/>	Vanguard Extended Market Index	VEIX	Mid Cap Blend	\$100.00

HSA Investments

Minimum Required Balance: \$1000.00
Available to Invest: \$0.00
Investment Status: Eligible

EDUCATION & TOOLS
[More actions...](#)

TOTAL INVESTMENT BALANCE: \$0.00

1 — 2 — 3 — 4 — 5

FUNDS SELECTION
FULL FUNDS
Select the mutual funds you want in your portfolio at this time.

- Use the research links to explore fund details.
- Select the funds you wish to add to your portfolio using the check boxes.
- Click the "Trade Selected Funds" button to proceed to the next step.

In the next step, you will allocate your investment dollars across the funds you selected.

Although we are offering a standard group of mutual funds, we are not making recommendations or providing individual advice related to the mutual funds provided in this program. Please seek the assistance of your personal financial advisor if you need additional help in the selection of investment options.

[Select All](#) | [Unselect All](#)

Investments	Symbol	Funds Category	Research Links	Investment Minimum
<input type="checkbox"/>	Aberdeen Emerging Markets A1	GEGAX	Diversified Emerging Markets	\$100.00
<input type="checkbox"/>	American Funds Capital World Growth Rf	RWGX	World Large Stock	\$100.00
<input type="checkbox"/>	American Funds EuroPacific Growth Rf	BERGX	Foreign Large Growth	\$100.00
<input type="checkbox"/>	Fidelity Advisor Freedom 2040 M2	FTFFX	Target Date	\$100.00

Step 3

HSA Investments

Minimum Required Balance: \$1000.00
Available to Invest: \$4367.21
Investment Status: Eligible

EDUCATION & TOOLS
[More actions...](#)

TOTAL INVESTMENT BALANCE: \$0.00

1 — 2 — 3 — 4 — 5

FUNDS ALLOCATION
Indicate how you would like to allocate your investment dollars across the mutual funds you selected.
Note that your Purchase Allocation must equal 100%.

Money to Invest: \$1000.00

Investments	Symbol	Funds Category	Purchase Allocation	Investment Minimum
<input type="checkbox"/>	First Eagle Gold I	FEGIX	Precious Metals	\$100.00
<input type="checkbox"/>	Allypang Int Asset Alloc Inst	WFATX	Aggressive Allocation	\$100.00
Totals			0%	

HSA Investments

Minimum Required Balance: \$1000.00
Available to Invest: \$0.00
Investment Status: Eligible

EDUCATION & TOOLS
[More actions...](#)

TOTAL INVESTMENT BALANCE: \$0.00

1 — 2 — 3 — 4 — 5

FUNDS ALLOCATION
Indicate how you would like to allocate your investment dollars across the mutual funds you selected.
Note that your Purchase Allocation must equal 100%.

AMOUNT TO KEEP IN HSA: \$1000.00

Investments	Symbol	Funds Category	Purchase Allocation	Investment Minimum
<input type="checkbox"/>	First Eagle Gold I	FEGIX	Precious Metals	\$100.00
<input type="checkbox"/>	Allypang Int Asset Alloc Inst	WFATX	Aggressive Allocation	\$100.00
Totals			0%	

Step 4

HSA Investments

TOTAL INVESTMENT BALANCE
\$0.00

Minimum Required Balance: \$1000.00
Available to Invest: \$4347.21
Investment Status: Open

EDUCATION & TOOLS
[More actions...](#)

FUNDS ALLOCATION

VERIFY INVESTMENT ALLOCATIONS

Please review your investment choices below. To complete your enrollment and make your first investment purchases, click the "Submit" button below.

Money to Invest: \$150.00

Investments	Symbol	Funds Category	Purchase Allocation	Purchase Amount
First Eagle Gold I	FEGIX	Precious Metals	50%	\$150.00
Adapting Idx Asset Alloc Inst	WIFATX	Aggressive Allocation	50%	\$150.00

[Back](#)
[Cancel](#)
[Submit](#)

HSA Investments

TOTAL INVESTMENT BALANCE
\$0.00

Minimum Required Balance: \$1000.00
Available to Invest: \$0.00
Investment Status: Open

EDUCATION & TOOLS
[More actions...](#)

FUNDS ALLOCATION

Indicate how you would like to allocate your investment dollars across the mutual funds you selected.
Note that your Purchase Allocation must equal 100%.

AMOUNT TO KEEP IN HSA: \$1,000.00

Investments	Symbol	Funds Category	Purchase Allocation	Purchase Amount
First Eagle Gold I	FEGIX	Precious Metals	50%	\$150.00
Adapting Idx Asset Alloc Inst	WIFATX	Aggressive Allocation	50%	\$150.00

[Make Changes / Add/Remove Funds](#)
[Next](#)

Success message

HSA Investments

TOTAL INVESTMENT BALANCE
\$0.00

Minimum Required Balance: \$1000.00
Available to Invest: \$4347.21
Investment Status: Open

EDUCATION & TOOLS
[More actions...](#)

✓ Success! You completed the enrollment process.

Your HSA Investment Account enrollment is now being processed. Please allow three business days for the transactions to settle.

[Go to HSA Investments](#)

HSA Investments

TOTAL INVESTMENT BALANCE
\$0.00

Minimum Required Balance: \$1,000.00
Available to Invest: \$0.00
Investment Status: In Progress

EDUCATION & TOOLS
[More actions...](#)

✓ Success! You completed the enrollment process.

Your HSA Investment enrollment is now pending. Once your HSA balance exceeds \$200 by \$50 or more, your enrollment as well as your initial buy will be completed.

[Go to HSA Investments](#)

Enjoy the simplicity of auto-investments

Our Automatic Investments tool allows you to set your investment preferences to have future contributions automatically invested, according to your instructions. Not only does automatic investing give you one less thing to worry about, it ensures that you are regularly tending to your financial well-being.

1. In your online account, click the "Investments" link, then the "Manage Automatic Investments" link from the drop-down menu on the HSA investments page.
2. Click the "Setup Automatic Investment" button.
 - Enter the amount that you would like to keep as the cash portion of your HSA. This specified cash amount will not be invested (minimum \$1,000). Anytime your HSA cash balance exceeds the amount you have elected to maintain in your account by \$50 or more, the excess is automatically invested.
 - Follow screen prompts to select your Automatic Investment allocations.
 - You may also choose to add additional funds to your Automatic Investments by clicking "Select Additional Funds" and following screen prompts to add funds.

The screenshot shows a web interface for managing HSA investments. At the top right is a close button (X). The main heading is "HSA Investments". On the right side, it displays "Available to Invest: \$49,447.34" and "Investment Status: Enrolled". Below this, there are two columns: "TOTAL INVESTMENT BALANCE" showing "\$406.96" and "MUTUAL FUND" showing "Total \$406.96". To the right of these columns is an "EDUCATION & TOOLS" section with a "More actions..." dropdown menu. A progress indicator at the bottom consists of four numbered circles (1, 2, 3, 4) connected by a line. Below the progress indicator is the "MANAGE AUTOMATIC INVESTMENTS" section, which includes a text prompt: "Enter the amount that you would like to keep as the cash portion of your HSA. This cash amount will not be invested. Any time your HSA cash balance exceeds the amount to set to keep in your HSA by \$50, the excess is automatically invested." Below this is a text input field labeled "AMOUNT TO KEEP IN HSA" with a help icon (i) and a note: "This amount cannot be less than \$1000". A blue "Continue" button is partially visible at the bottom left.

Need to make a change? Return to the "Manage Automatic Investments" section to change your settings at any time.

Frequently asked questions

1. What is an HSA Investment Account and how do I set one up?

An HSA Investment Account allows you to invest your HSA balance in a wide range of fund choices, giving you the potential to grow your account. Once your HSA reaches \$1,000, plus the amount you want to invest, you may open your HSA Investment Account online or within the mobile app. Simply sign in to your account at premera.com and click on the “Personal Funding Account” link in your online account, then select “Investments.”

2. What is an HSA cash account?

The HSA cash account, also called a deposit account, is where your HSA contributions are placed by default. Your HSA cash account is eligible for FDIC insurance protection in accordance with applicable law. HSA investments are not bank-issued or guaranteed, and are subject to investment risks, including fluctuations in value and possible loss of principal amount invested.

3. What if I have a major medical expense and most of my HSA funds are invested?

Should you need to access invested funds for qualified health care expenses, simply sign in to your account online and click on the “Investments” link. Once there, you may initiate the sale of shares, which will be deposited back into your HSA cash account. Please note that investment transactions may take up to three days to process and post. There is no fee for selling shares.

4. What investment options are available to maximize my HSA savings?

There are dozens of funds you may select in your investment account, with offerings across a variety of recognized fund classes. For a current list of mutual investment options, [click here](#).

Additionally, you may choose to set up Automatic Investment, which automatically invests your HSA funds according to your preferences.

5. Are there investment fees tied to my trading activity?

There is no fee associated with your HSA Investment Account.

Sources:

¹ Sample list of fund providers; your specific options may vary. View your funds option in your online account.

² HSAs are tax exempt for purposes of your federal income tax filings. HSAs are also tax exempt for most state income tax filings. However, some states do tax your HSA contributions and even potentially the earnings and capital gains. Please consult your tax advisor regarding your state's specific rules.

³ This table is a hypothetical example for illustrative purposes only and does not represent the performance of any specific HSA. Estimates are based on the \$1,000 minimum balance threshold and an 8% growth rate. In the calculations, estimated tax savings is included, that assumes a 24% tax rate. Circumstances may vary.



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