



Blue Care Network of Michigan

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# Ways to make an HSA work for you

(Real-life scenarios)



*Rachel*

26, SINGLE AND HEALTHY



*Steve*

46, MARRIED WITH CHILDREN

- Single**
- Generally healthy, doesn't use much health care**
- Opened a health saving account, or HSA, to save for unpredictable health care expenses**

- Married, two kids**
- Money saver**
- Uses his HSA to pay for his family's ongoing medical expenses**

When I had to choose a health plan, I decided to go with the most affordable option — a high-deductible health plan with an HSA.



But then I remembered the car accident I was in last year. I ended up in the emergency room, and I wasn't prepared to pay the \$5,000 bill!



So, this year, along with my health plan, I enrolled in an HSA. It allowed me to save money for medical expenses. Even better, I got tax credits for expenses paid from the HSA, which saved me \$1,000.

Given my family's medical history, I decided that a high-deductible health plan with an HSA was the way to go. Over the course of the year, we contributed until we reached the maximum amount for our family.



We paid our bills after we received our *Explanation of Benefits Payment* statement from Blue Cross to make sure we were only paying what we really owed. Sometimes it felt like we were paying a lot every month in medical bills, but I knew in the long run we would save money.



When tax time came, I was able to deduct all of our HSA contributions, which saved us a lot. Every bit counts when you have a family to take care of.



Robert

31, SINGLE

- Single**
- Employer deducts HSA payments from his paycheck**
- Uses his HSA like a 401(k) to save for future medical expenses**



Ellen

58, MARRIED EMPTY NESTER

- Married**
- Empty nester**
- Uses her HSA to invest and prepare for retirement**

I decided to open an HSA because I figured it made sense to start saving now for when I'm older and may have more health-related expenses. Plus my company makes it easy by letting me make pre-tax contributions directly from my paycheck.



About six months later I found out I had appendicitis and needed surgery. Everything went smoothly, but eventually I got a bill for \$6,000. My deductible was \$2,000, so I had to cover the first part of the bill before my insurance kicked in.



Luckily, I was able to use money from my HSA to help pay the bill. I was really glad to have an HSA to help manage the unexpected expense.

My husband, Jim, and I are what you call "empty nesters" — our kids are grown and we're starting to think about retirement.



Luckily for us, Jim is a planner. Eight years ago, he opened an HSA with his employer. We've been able to keep adding money tax-free and invest in a wide variety of mutual funds.



And it's nice to know we have some savings set aside in our HSA for whatever health issues may arise as we get older.

**Learn more at [bcbsm.com/HSA](https://bcbsm.com/HSA).**