

Appendix A: Secondary research- About HSA:

A Health Savings Account, or HSA, is a unique, tax-advantaged account that can be used to cover out-of-pocket for current or future healthcare expenses. When combined with a high-deductible health plan, it offers savings and tax advantages that a traditional health plan can't duplicate.

Contributions are pretax, earnings on Investment will grow over time free of federal tax until withdrawal. All withdrawals, including earnings, used to pay for qualified healthcare costs are free from federal taxes, regardless of when they are made.

An HSA is a smart way to save for medical expenses in retirement. Many employees don't know that HSAs might also be used for retirement saving. After age 65, funds can be withdrawn for any purpose without penalty, but may be subject to income tax if not used for IRS-qualified medical expenses.

Even if the HSA is through an employer-sponsored plan and if employee lost their job, they would still own the account, and can still use the funds anytime, tax-free, for qualified medical expenses.

Factors for calculating HAS balance:

Is individual currently have an HAS?

HAS starting balance (if no current account, then balance is zero)

Is it family or individual HAS?

How much individual plan to contribute, on average, to HSA per year?

How much individual spend on qualified medical expenses, on average, per year?

How much employer contributing to HAS?

What is current age?

At what age individual planning on / hoping to retire?

What is the annual return rate of HSA?

Secondary research resources:

“HSA Savings Calculator.” *Health Savings Account (HSA) Calculator - HSA Bank*, www.hsabank.com/hsabank/Learning-Center/HSA-Savings-Calculator. Accessed: June 2020

Kagan, Julia. “Health Savings Account – HSA.” *Investopedia*, Investopedia, www.investopedia.com/terms/h/hsa.asp. Accessed: June 2020

Nevitt, Heather. “Employees Don't Know HSAs Might Also Be Used for Retirement Saving.” *BenefitsPRO*, 15 July 2020, www.benefitspro.com/2020/07/15/employees-dont-know-hsas-might-also-be-used-for-retirement-saving/?slreturn=20201119073814. Accessed: June 2020

Gerstner, Lisa. “Health Savings Accounts Get Even Better.” *Kiplinger*, Kiplinger, 3 July 2020, www.kiplinger.com/personal-finance/insurance/health-insurance/health-savings-accounts/600963/hsas-get-even-better. Accessed: June 2020