

Health Savings Account (HSA)

A Health Savings Account (HSA) is a tax-exempt trust or custodial bank account with a qualified HSA trustee (bank) to pay or reimburse qualified medical expenses you incur.

[List of qualified expenses for HSA's.](#)

You must be enrolled in a High Deductible Health Plan (HDHP) to qualify for an HSA. For those who elect a HDHP, and you are eligible for an HSA, Murray State will contribute **up to \$400/single and \$800/Family**. New hires after January 1 will have a prorated employer contribution based on the effective date of your benefits. Murray State University will continue to cover the fees associated with the account, while eligible on MSU's group plan. Employee contributions can be stopped, started or changed at the beginning of each quarter through the Benefitfocus portal.

All contributions you make to the HSA account are tax-free. Under federal government rules, you can contribute in 2022 up to \$3,850 for single coverage, \$7,750 for family coverage, plus an additional \$1,000 for those 55 years and older in 2023. MSU's contributions count toward the account's annual limit. Partial-year tax rules also apply. IRS guidelines apply if you are 65 or older and enrolled in Medicare.

What are the benefits of an HSA?

- ◆ You can claim a tax deduction for contributions