



Solid partners, flexible solutions®



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Save Premium, Reduce Taxes, Build Tax-Favored Savings

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Fortis Health

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Health Savings Account (HSA)

for everyone with a qualified high deductible medical plan

from Fortis Insurance Company, a Fortis Health member company

The right blend of tax-advantaged savings and health insurance – the extra funds help perk up your day – the security lets you sleep at night.

With a Fortis Insurance Company Health Savings Account (HSA) and Plan, you get more than complete major medical coverage – you get **premium savings** and **tax advantages*** that translate into extra money in your pocket.

Invest those extra funds in your HSA, and they're **tax-deductible**. Let your funds gain interest, and it's **tax-deferred**. Withdraw the funds to pay for qualified expenses (like medical expenses, eyeglasses, braces and long-term care insurance premiums), and they're **tax-free**. Leave your funds in your HSA and **it works like an IRA – only better**. Keep reading to see the many benefits of an HSA, and learn how easy it is to start and maintain this unique tax-favored account.

First, let's see what you could save.

	Typical Plan Aggregate family deductible: \$1,000 Coinsurance: 80%/20%	HSA Plan Common family deductible: \$5,100 Coinsurance: 100%
Premium paid	\$7,115	\$3,100
Your share of medical care expenses (\$1,500 claim)	+ \$1,650 \$1,000 for deductible, \$100 for coinsurance, \$550 for other non-covered medical expenses	+ \$2,050 \$1,500 for medical expenses and \$550 for dental/eyewear expenses
Expenses subtotal	= \$8,765	= \$5,150
Tax savings on HSA deposits (Assumes a 28%** tax bracket on deposit of \$5,100, the maximum contribution allowed with a \$5,100 deductible)	+ \$0	+ \$1,428
Tax savings subtotal	= \$0	= \$1,428
Net expenses (out-of-pocket minus savings)	\$8,765	\$3,722
Total net savings with HSA Plan		= \$5,043

Note: If you are self-employed, you can deduct your premium.

A Fortis Insurance Company HSA Plan – Savings and Insurance in One

This example is based on the average health insurance premium of an individual with a family of four living in a metropolitan area, covered medical expenses totaling \$1,500, and \$550 in expenses for dental care, contacts and eyeglasses. Health insurance premiums vary substantially based on age, geographic location and other variables. Federal tax savings calculations assume that contributions are deducted from federal taxes. Withdrawals for non-qualified expenses prior to the age of Medicare eligibility are subject to a 10% penalty by the IRS.

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** Your rate may vary. Many states allow for state tax deductions on HSAs.

With the HSA you still have a \$3,050 balance in your account



The Savings Account

A Health Savings Account (HSA) gives you every advantage in saving for future health care expenses. Established by federal legislation, HSAs have been called the “medical IRA” because they offer tax advantages on all contributions, interest and qualified withdrawals.*

If you have:

- A qualified high deductible medical plan

you can use an HSA to get:

- ✓ **Greater control over your health care dollars.** You withdraw your funds when you need them. Withdrawals are tax-free and penalty-free when made for qualified expenses.
- ✓ **Funds for a broader range of health care services.**
 - Pay for covered expenses that apply toward your deductible.
 - Pay for qualified medical expenses that your health plan doesn't cover, such as:
 - Contact lenses
 - Dental and orthodontic services
 - Certain types of alternative medicine
 - Long term care insurance.
- ✓ **Tax advantages.** Contributions are tax-deductible, earnings are tax-deferred, and qualified withdrawals are tax-free.
- ✓ **A retirement income supplement.** At age 65, accumulated funds can also be withdrawn for medical expenses not covered by Medicare – tax-free. Funds for non-qualified expenses are subject to income tax.

Here's how you start and maintain your HSA.

1. Choose an HSA administrator.

If you're looking for	Then choose the
<ul style="list-style-type: none"> • No administrative, set-up or user fees • An integrated account and plan – administered by one company • Competitive interest rates 	<ul style="list-style-type: none"> ✓ Fortis Insurance Company HSA <p><i>We're one of the only companies providing both a health plan and an HSA, allowing for seamless fund disbursement.</i></p>
<ul style="list-style-type: none"> • Access to investments in stocks, bonds and mutual funds • The convenience of paying for qualified expenses directly from your HSA using checks or a debit card 	<ul style="list-style-type: none"> ✓ MSAver HSA <p><i>MSAver offers the most options both for accessing your HSA account and for investing your HSA funds.</i></p>

2. Set up your HSA.

Your agent can walk you through the simple process.

3. Make tax-deductible contributions.

With single or family coverage, you can contribute up to 100% of your deductible amount annually. The maximum contribution allowed is either 100% of your deductible or \$2,600 for an individual, \$5,150 for a family – whichever is less.

4. Watch your account grow, tax-deferred.

5. Withdraw funds for qualified expenses, tax-free and penalty-free, whenever you choose.

The Health Insurance Plan

The **HSA/One Deductible Plan** is a high deductible health insurance plan, specially designed according to guidelines established by HSA legislation.

With an HSA/One Deductible Plan, you get:

- ✓ **One single, integrated deductible** – all covered expenses for all covered persons apply to this one deductible.
- ✓ **Significant premium savings** resulting from the high deductible.
- ✓ **The dependable coverage** of Preferred 2000 Health Plans, including:
 - Lifetime benefit options up to \$8 million
 - Worldwide coverage, 24 hours-a-day
 - A first-year rate guarantee
 - Prescription drug coverage

And anyone can apply for this health insurance plan, even without the savings account. For more details, ask your agent about the One Deductible Plan.

Your agent can help you start your HSA health plan by:

- Reviewing the Preferred 2000 brochure where you'll find additional coverage information on Preferred 2000 Health Plans.
- Selecting plan options, and customizing the plan to meet your needs.
- Walking through the application / enrollment process.

	HSA / One Deductible Traditional	HSA / One Deductible PPO	
Lifetime Benefit	\$3 or \$6 Million	\$3 or \$8 Million	
Deductible Options	\$1,750, \$2,150 and \$2,550 for individuals \$3,500, \$4,300 and \$5,100 for families		
Coinsurance	100%, 80% and 50%	Network	Non-network
		100%	80%
		80%	60%
		50%	30%
		60% (TX)	50%
Optional benefits**			
Accident Medical Expense	\$300, \$500 or \$1,000 benefit per injury		
Dental and Vision Card	Up to 60% off dental services and eyewear		
Maternity	Covered the same as any other covered medical service		

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** Optional benefits are available at an additional cost.