

Managing Costs of Your Health Care Benefits

For small business owners, health care costs continue to increase at a rate that outpaces both you and your employees' budget. When looking for a cost-effective options for health care, consider a qualified high-deductible health plan (HDHP) combined with a Health Savings Account (HSA).

What are Health Savings Accounts?

HSAs provide traditional medical coverage, yet give employees flexibility and discretion over the timing and use of the funds available.

Employer Benefits of Health Savings Accounts

- Investments can be made pre-tax
- Health care premiums are lower because of higher deductibles

Employee Benefits of Health Savings Accounts

- Funds can be available for high or unexpected medical bills
- Funds in the HSA are fully vested
- Funds are available year after year until used
- Employee can choose in-network or out-of-network providers, depending on the HDHP provider chosen.

Eligibility

Eligibility is determined monthly, based on enrollment in an HDHP. Except for preventative care, the annual deductible must be met before benefits are paid. Preventative care is usually paid after a small deductible or co-pay. Based on the plan selected, compliance testing may apply.

Typical financial parameters:

	Individual	Family
Minimum annual deductible	\$1,100	\$ 2,200
Maximum out of pocket	\$5,500	\$11,000

Your Salmon Sims Thomas consultant can help you determine the best health care options for your business. Please call us for more information about Health Savings Accounts at 972-392-1143. Visit us on the Web at www.sstcpa.com