

### Why Choose First National Bank?

First National Bank is a great place for your HSA. We're separate from your employer and insurance company, so you can change jobs or insurance plans without changing your HSA. This keeps things simple for you and gives you greater flexibility for your future!

### It's Easy to Fund!

There's no minimum deposit when you open your account. You have several convenient deposit options:

- Set up a recurring Automatic Transfer in any amount or frequency.
- Direct deposit a portion of your paycheck into your account.

### It's Easy to Pay Medical Expenses!

Pay qualified medical expenses by check or use your First National Bank HSA Debit Card.

### Easy to Use!

Conveniently manage your accounts from your office or home with First National Bank's Online Banking at [www.myfnbbank.com](http://www.myfnbbank.com)

- Access your account 24/7
- Check your balance
- View account statements, account history & check images
- Print account statements
- Transfer funds
- Bill Payer
- Mobile Banking
- Text Message Banking

### Tax Information

Easy tax preparation with all health expenses in one account! You will receive year-end tax information for completing your taxes and determining your tax deduction.

### Investment Options

Our HSA is FDIC-insured. With our tiered interest rates, you'll earn higher rates on larger balances. These interest earnings are tax free when used to pay for qualified medical expenses. Ask about other available investment options!

## PRODUCTS & SERVICES



Checking & Saving Accounts  
Certificate of Deposit  
IRAs & HSAs  
Money Market Accounts



Online & Mobile Banking  
Text Banking  
E-Statements



Debit Cards  
Credit Cards



Mortgages  
Home Equity Lines of Credit



Personal & Business Loans  
Agriculture & Agri-Business Loans  
Trust & Investment Services

## OUR BANK LOCATIONS

### Cedar Falls

602 Main St  
(319) 266-2000

### Clarion

322 Central Ave E  
(515) 532-6635

### Eagle Grove

201 W Broadway St  
(515) 448-5111

### Goldfield

435 N Main St  
(515) 825-3151

### Plainfield

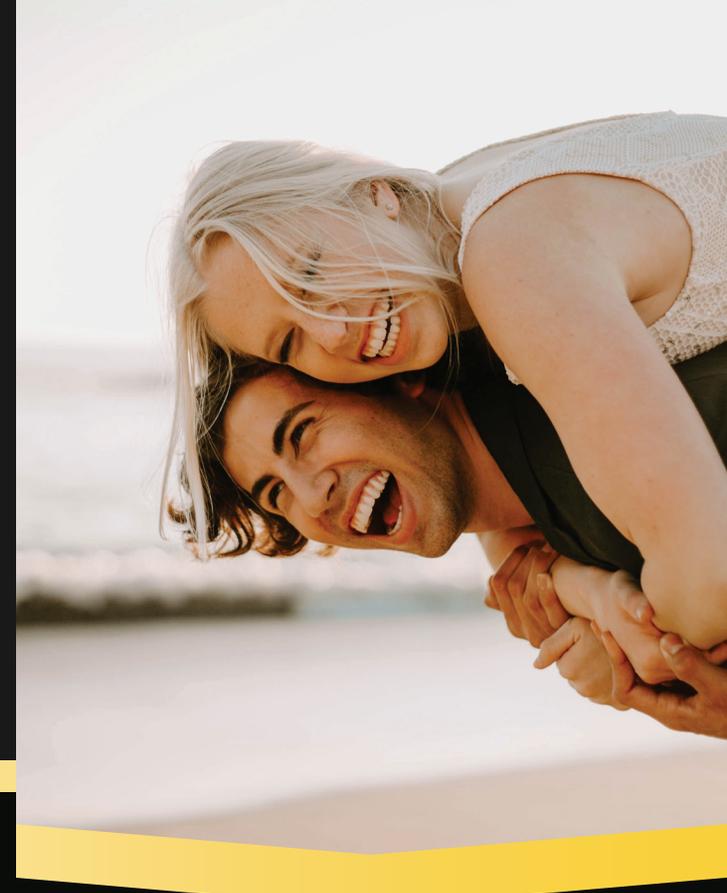
620 1st St  
(319) 276-4469

### Waverly Main

316 E Bremer Ave  
(319) 352-1340

### Waverly West

921 W Bremer Ave  
(319) 352-3502



# HEALTH SAVINGS ACCOUNT

Your Money. Your Health.  
Your Future.



[www.FirstIowa.bank](http://www.FirstIowa.bank)



# ABOUT HEALTH SAVINGS ACCOUNTS

## What is a Health Savings Account (HSA)?

A Health Savings Account (HSA) is an account that allows you to save money for future expenses. There are certain advantages to saving money in these accounts, including favorable tax savings, earned interest, and possible savings on insurance premiums. In addition, you control the funds, they provide long-term savings, and they're portable which means the account stays with you as you move through life's changes.

## Is a Health Savings Account Right for You?

You may want to consider an HSA if:

- You're self insured or self-employed and want a cost-effective health insurance solution that also helps you build financial security.
- You're a business owner and want to offer this alternative to your employees, while lowering your overall health insurance costs.
- You currently participate or are thinking of participating in a high deductible health plan (HDHP).
- You want to save additional tax-free money for retirement.
- You could benefit from tax-deductible contributions.

## Who Can Have an HSA?

You can open and contribute to an HSA if you:

- Are covered under a qualified HDHP
- Are not covered by another health plan that is NOT an HDHP (certain exceptions apply)
- Are not enrolled in Medicare (any part)
- Are not eligible to be claimed as a dependent on another individual's federal income tax return

## What are the Benefits of an HSA?

### Cost Savings

Reduce your insurance premiums by choosing a low-premium HDHP. Instead of giving your hard-earned money to a health insurer, pay yourself instead. Put the premium difference into your HSA and begin building financial security.

### Puts More Money in your Pocket

- Earns monthly interest
- No monthly fees with direct deposit

### Tax Savings

You save on taxes in three ways:

- You can deduct your contributions on your tax return.
- You earn tax-free interest.
- Your withdrawals are tax-free when used for qualified medical expenses.

### Control

You make all the decisions about:

- How much money to put into the account up to the annual contribution limit.
- Whether to save the account for future expenses or pay current medical expenses.
- Which medical expenses to pay from the account.

### Flexibility

You can use the funds in your account to pay for current medical expenses, including expenses that your insurance may not cover, or save the money in your account for future needs, such as:

- Health insurance or medical expenses if unemployed
- Medical expenses after retirement (before Medicare)
- Out-of-pocket expenses when covered by Medicare
- Long-term care expenses

### Ownership

You own the money in the account. It's yours. It becomes a financial asset, an asset you can use for retirement or even pass on to loved ones.

### Long-Term Savings

Funds left to accumulate in an HSA, including interest, grow tax-free. Withdrawals for eligible medical expenses are never taxed.

### The Money Stays with You

If you switch jobs, change medical coverage, move to another state, become unemployed or retire, your account stays with you.

## How Much Can You Contribute?

In 2020, you can contribute up to **\$3,550\*** for self-only coverage and **\$7,100\*** for family coverage.

\* These amounts are adjusted annually for inflation.

## "Catch-Up" Contribution

If you're age 55 or older you can also make an additional annual "catch-up" contribution to these amounts:

**2019 and beyond** **\$1,000**

## What Can I Use My HSA Money For?

Typically, you can use tax-free dollars on most medical expenses, such as:

- Medical care and services
- Dental and Vision Care
- Prescriptions
- Chiropractic Visits
- Acupuncture

You can use the money in your account to pay for medical expenses for yourself, your spouse or your dependent children, even if they are not covered by your high deductible health plan.

### Frequently Asked Questions

- *What happens if I spend my HSA money on other things?*

Any HSA funds used for anything other than "qualified medical expenses" are taxable as income and subject to an additional 20% tax penalty.

- *How can I find a High Deductible Health Plan?*

Any company that sells health insurance coverage in your state may offer a high deductible health plan policy. Contact your current insurance company, a licensed insurance agent or your state insurance department.