



UMB Healthcare Services

Understanding Health Savings Accounts (HSAs)

Commitment and Strength

- Diverse \$38.5 billion Financial Services Corporation
- 110 years experience with a history of strength, stability and excellent service
- Fitch Rating: A/Stable
- S&P: A-/Stable
- TARP funds taken: ZERO

Leader/advocate in the healthcare marketplace

Top 6 custodian of Health Savings Accounts (HSAs)
by number of accounts

– 2022 Year-end Devenir HSA Research Report

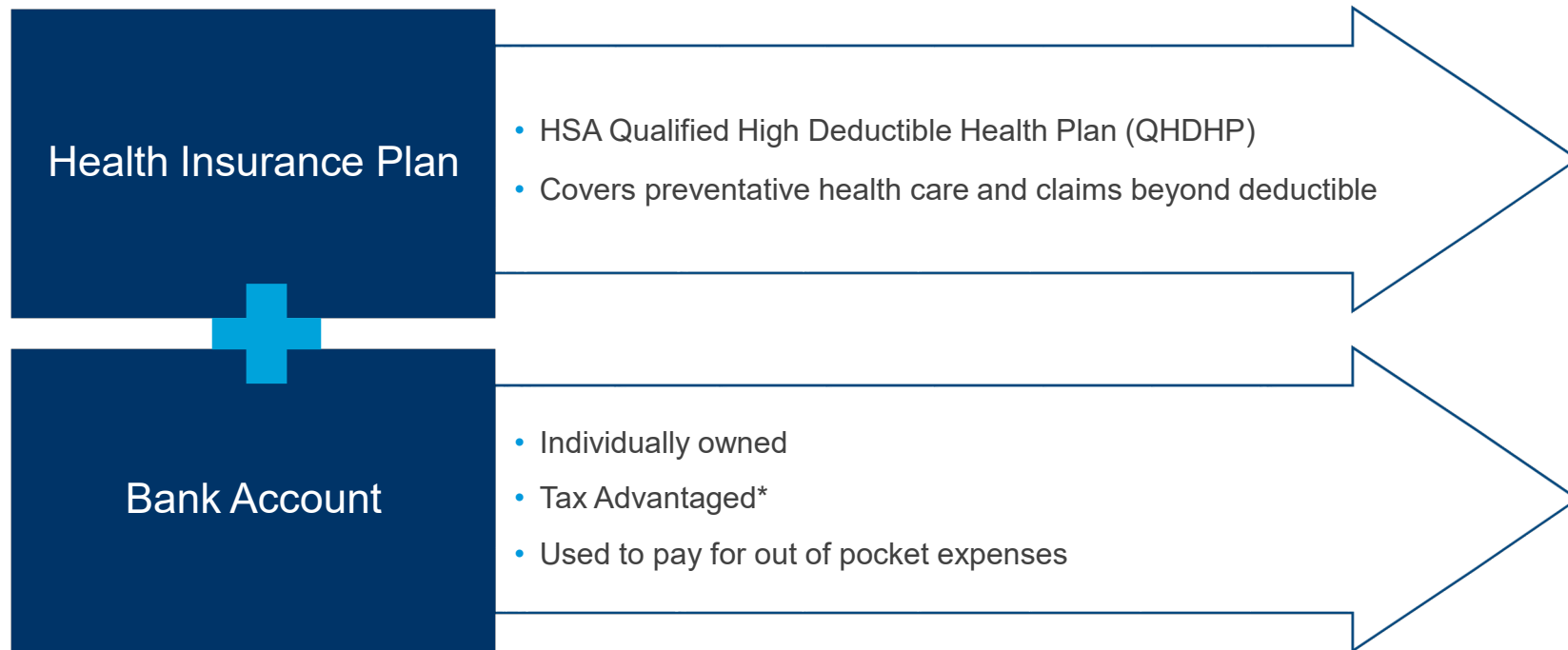
Provide solutions for:

- More than 5.8 million healthcare spending accounts
- Nearly 1.5 million HSA accounts
- \$3.3 billion in HSA assets and deposits

Leader in Healthcare Payments industry since 1996



Understanding how HSAs Work



*All mention of taxes is made in reference to federal tax law. States can choose to follow the federal tax-treatment guidelines for HSAs or establish their own; some states tax HSA contributions. HSA distributions used to pay for non-qualified medical expenses are subject to income taxes on the amount and a possible additional 20% penalty, if you are under age of 65.

HSA Qualified High Deductible Health Plan

Minimum deductible:

2023		2024	
Individual	\$1,500	Individual	\$1,600
Family	\$3,000	Family	\$3,200

Maximum out-of-pocket limit (including deductibles and co-pays):

2023		2024	
Individual	\$7,500	Individual	\$8,050
Family	\$15,000	Family	\$16,100

- Preventive care covered before the deductible is met or co-pays apply.
- **ALL** other coverage for illnesses, injuries and prescriptions must be subject to the minimum deductibles listed above, with NO co-pay before the deductible.

To be **eligible** to contribute to an HSA:

1. **You must** be covered by an HSA qualified HDHP
2. **You cannot** be enrolled in Medicare (any part)
3. **You cannot** be claimed as a tax dependent on someone else's taxes
4. **You cannot** have any other non-permissible coverage

Permissible Coverage

Permissible coverage includes:

- Limited Purpose or Post-Deductible FSAs or HRAs
- Suspended or Retirement HRAs
- Specific disease or illness insurance
(i.e. cancer policy)
- Accident or Disability
- Dental and Vision care
- Long-term care insurance
- Employee assistance programs (EAP),
disease management program or wellness program
(*These programs must not provide significant medical benefits*)
- Drug discount cards

Non-permissible coverage is basically any coverage that could provide medical coverage prior to meeting your deductible
(*other than preventive care*)

NOTE: Refer to IRS Publication 969 for specific questions

Understanding an HSA

Contributions

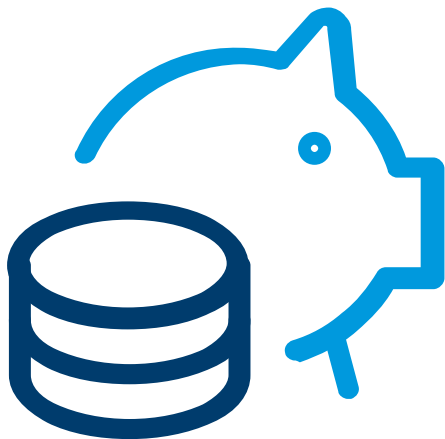
Pre-tax / Tax Deductible*



Distributions

Tax Free Distributions
(for Qualified Medical Expenses)

* All mention of taxes is made in reference to federal tax law. States can choose to follow the federal tax-treatment guidelines for HSAs or establish their own; some states tax HSA contributions. HSA distributions used to pay for non-qualified medical expenses are subject to income taxes on the amount and a possible additional 20% penalty, if you are under age of 65.



Savings

- Tax Savings – potential Triple tax advantage*
- Long term savings opportunity
- Lower costs

Control – *YOU* decide:

- How much money to put into the account
- How to spend your money
- Whether to invest any of your HSA money
- Which investments to make

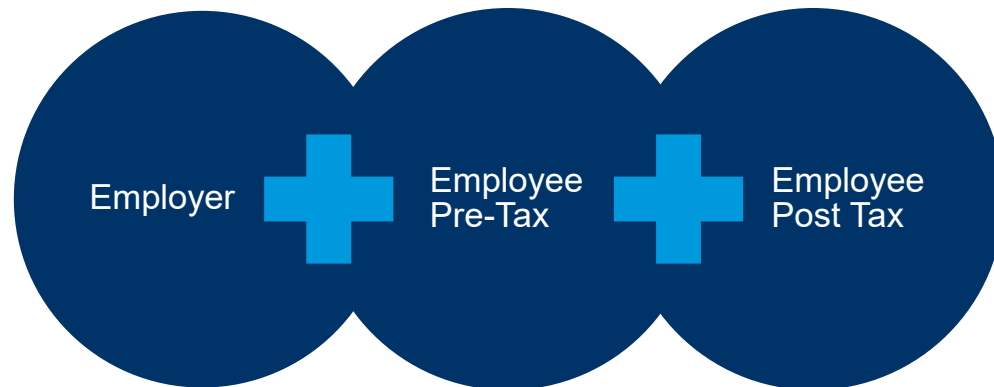
Portability

- *YOU* own it – always!

*All mention of taxes is made in reference to federal tax law. States can choose to follow the federal tax-treatment guidelines for HSAs or establish their own; some states tax HSA contributions. Please check with each state's tax laws to determine the tax treatment of HSA contributions, or consult your tax adviser. HSA funds used to pay for non-qualified medical expenses are subject to income taxes on the amount and a possible additional 20% penalty, if you're under age 65. Neither UMB Bank, n.a., nor its parent, subsidiaries, or affiliates are engaged in rendering tax or legal advice and this presentation is not intended as tax or legal advice.



TOTAL = Maximum Contribution Limit





IRS Maximum Contribution Limits

2023		2024	
Individual	\$3,850	Individual	\$4,150
Family	\$7,750	Family	\$8,300

Catch-up Contributions (Age 55+) \$1,000

Catch-up Provision (Age 55+)

- Two spouses 55+ who want to both do a catch-up contribution would need their own separate account

Coverage Class Dictates Contribution Limits

- Spouses that both have single coverage

Tax Year Funding

- April 15 tax deadline



Excess Contributions

- Excise tax (6%)

Prorating

- Ability to contribution maximum
- Testing period
- Leaving the plan early
- Changing Coverage Status (Individual/Family)

How do you use your HSA for doctors?



Step 1 Doctor/Hospital bills insurance company



Step 2 Insurance company manages claim

- Explanation of Benefits to you and doctor/hospital



Step 3 Provider bills you



Step 4 Settle payment with provider



Debit Card/Digital Wallet

- No transaction fees
- Free family/dependents and replacement cards
- \$5,000 daily limit to mitigate fraud



Online Transfer *No daily limit!*

Online Bill Pay

Digital Wallet - Freedom to Pay your Way

Now available:  fitbit pay •  Apple Pay •  GARMIN PAY •  SAMSUNG pay

Distribution Issues

No Substantiation

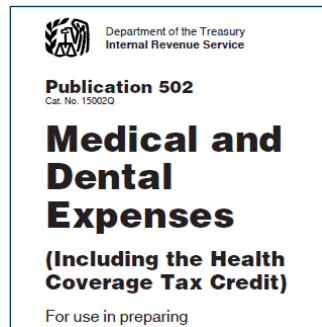
- Healthcare merchant (MCC) coding
- Receipts: *Track and manage receipts with ReceiptVault*

Non-Qualified Distributions

- Income Tax and 20% penalty before age 65

Qualified Medical Distributions

- Must be after account establishment
- Tax Free
- No time restriction on reimbursement
- Retaining records



Qualified Medical Expenses*

- Medical out-of-pocket expenses such as deductibles and coinsurance
- Dental treatment such as fillings, braces, extractions
- Hearing aids including batteries
- Prescription drugs
- Eye exams, eyeglasses, and contact lens
- Chiropractic care and acupuncture
- Premiums for qualified long term care insurance (dollar limits may apply) and COBRA
- Medicare premiums
- Health plan coverage while receiving Federal or State unemployment benefits

*The list provides examples of eligible medical expenses. This list is not all-inclusive. Remember, the IRA may modify its list of eligible expenses from time to time. For additional details on what qualifies or doesn't qualify as a medical expense see IRS tax publication 502.



Your Responsibilities with an HSA

Employee (Accountholder)

- Eligibility
- Contribution Maximum
- Tax Filing*
 - 1099-SA
 - 5498-SA
 - Form 8889
- ITEMIZED receipts:

Use UMB's ReceiptVault to easily track and manage your receipts

Form 1040A U.S. Individual Income Tax Return 2008. This is a sample form showing various sections including: Label, Filing status, Exemptions, Income, Adjusted gross income, and Total tax. It includes instructions for each section and a summary of the taxpayer's information.

Form 1099-SA Distributions from an HSA, Archer MSA, or Medicare Advantage MSA. This is a sample form showing the distribution details, including the recipient's name, address, and the distribution amount. It also includes a section for the recipient to indicate if the distribution is taxable or non-taxable.

*Neither UMB Bank, n.a., nor its parent, subsidiaries, or affiliates are engaged in rendering tax or legal advice and this presentation is not intended as tax or legal advice.

Base Account (Default)

FDIC Insured



UMB HSA Saver^{®1}

Non FDIC Insured

Investments in securities through the HSA investment account are: **Not FDIC Insured | May Lose Value | No Bank Guarantee**

¹ For UMB HSA Saver[®] option disclosure see slide 20.



- Interest bearing – FDIC Insured
- All contributions and distributions flow through the base account
- All funds in the base account can be accessed via debit card and/or UMB's website

Current Rates

Tier	Balance	Interest Rate	APY
Tier I	\$0 –\$4,999.99	0.05%	0.05%
Tier II	\$5,000.00 – \$14,999.99	0.10%	0.10%
Tier III	\$15,000.00 – \$24,999.99	0.15%	0.15%
Tier IV	\$25,000.00 – \$49,999.99	0.20%	0.20%
Tier V	\$50,000.00 and over	0.50%	0.50%

The stated Annual Percentage Yield (APY) is accurate as of July 1, 2023, and subject to change without notice. Fees can reduce earnings on this account.

Funds in an HSA Deposit Account are held at UMB Bank, n.a., Member FDIC.



UMB HSA Saver¹

- Experienced UMB Investment Management team takes the guesswork out of mutual fund selection by vetting fund list.
- Low \$3.00 monthly investment fee with no additional trade fees, no fund minimums.
- Simple dashboard that makes investing as easy as shopping online.
- \$1,000 Minimum base account balance to invest.

Investments in securities through the HSA investment account are: **Not FDIC Insured | May Lose Value | No Bank Guarantee**

¹ UMB Investment Management selects mutual funds in various asset classes for inclusion in the UMB HSA Saver® Investment Program. UMB Custody Services provides safekeeping and settlement of the mutual fund investments in the UMB HSA Saver® investment program. UMB Investment Management and UMB Custody Services are departments of UMB Bank, n.a. UMB Bank, n.a. is a wholly owned subsidiary of UMB Financial Corporation.

866.520.4HSA (4472)
HSA.UMB.com

Unparalleled Service and Dedication

- Expert knowledge; dedicated healthcare staff
- Account service and Investment account questions
- Online account access, web chat, and email

Availability

- 24/7 account access (IVR, lost/stolen cards)
- Live HSA Support Center
 - Monday – Friday: 7:00am – 7:30pm CT
 - Saturday: 8:00am – 5:00pm CT
 - 300 Languages supported
 - All calls digitally recorded
 - Domestic call center

Set-up Fee (Electronic/Online)

Free

Monthly Base Account Fees

Average Balance in base \$3,000 or more	Free
Average Balance in base under \$3,000	Check with your employer

Services Included in Monthly Fee

- Account set-up
- UMB ATM withdrawal (when ATM is allowed)
(non-UMB ATM may impose their own fee structure)
- Return Deposit Item
- Check copies
- Check Reimbursement
- Stop Payment
- Insufficient Funds
- Debit Cards (up to 5 total)
- Debit Card Transactions
- Online/Mobile Banking
- Online Reimbursement
- Online Bill Pay
- Online Contributions
- Tax Reporting (1099-SA/5498-SA)
- Quarterly e-statements
- Client Call Center and 24/7 Interactive Bankline

Health Savings Account Pricing

\$0 Zero Monthly Service Charge Zero Minimum Balance Requirement*

Services included at ZERO COST

UMB ATM Withdrawals *(when ATM access is allowed)*

Stop Payment Requests

Client Call Center and 24/7 customer service support

UMB VISA® HSA Debit Card

Mobile Banking

Quarterly e-statements¹

Online Banking

Online Bill Pay

Online Contributions

Online Reimbursement

Fees for Additional Services²

Non-UMB ATM Withdrawal fee	Other networks may impose their own fee structure
Quarterly Paper Statement fee	\$ 1.50
UMB HSA Saver ^{®3} Monthly Service fee	\$ 3.00
Account Closing/Transfer fee	\$25.00

* HSA deposit account does not require a minimum balance to maintain the account. Minimum balance requirements are applicable to UMB HSA Saver. See UMB HSA Saver Terms and Conditions for more details.

¹ If electronic statements are made available to you, and you wish to avoid the Quarterly Paper Statement fee, you must sign up to receive electronic statements on your HSA administrator's website. If you do not receive electronic statements, you will be charged a Quarterly Paper Statement fee. This fee will be deducted from your Deposit Account.

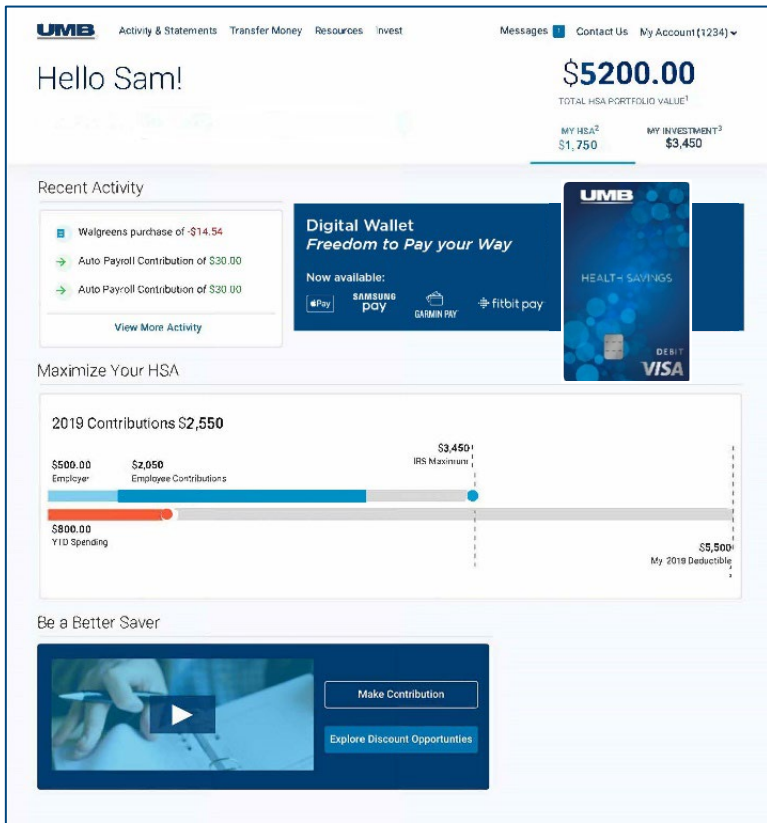
² Additional services are fully described in the UMB Health Savings Deposit Account Terms and Conditions—available upon request.

³ To be eligible for the UMB HSA Saver®, you must have a certain minimum dollar amount in your HSA Deposit Account. The minimum dollar amount, or Peg Balance, required to participate in UMB HSA Saver can be found in the UMB HSA Saver Terms and Conditions and may be changed from time to time by UMB. UMB Investment Management selects mutual funds in various asset classes for inclusion in the UMB HSA Saver Investment Program. UMB Custody Services provides safekeeping and settlement of the mutual fund investments in the UMB HSA Saver Investment Program. UMB Investment Management and UMB Custody Services are departments of UMB Bank, n.a. UMB Bank, n.a. is a wholly owned subsidiary of UMB Financial Corporation.

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Capitalized fees are subject to change by UMB at any time, including, but not limited to, the expiration of your high deductible health plan, upon notice to you as required by applicable law.

For questions or more information call 1.866.520.4HSA (4472).



UMB Activity & Statements Transfer Money Resources Invest Messages 1 Contact Us My Account (1234) ▾

Hello Sam!

\$5200.00
TOTAL HSA PORTFOLIO VALUE¹

MY HSA² \$1,750 MY INVESTMENT³ \$3,450

Recent Activity

- Walgreens purchase of -\$14.54
- Auto Payroll Contribution of \$30.00
- Auto Payroll Contribution of \$30.00

[View More Activity](#)

Digital Wallet
Freedom to Pay your Way

Now available:

- Apple Pay
- SAMSUNG pay
- GARMIN PAY
- Fitbit pay

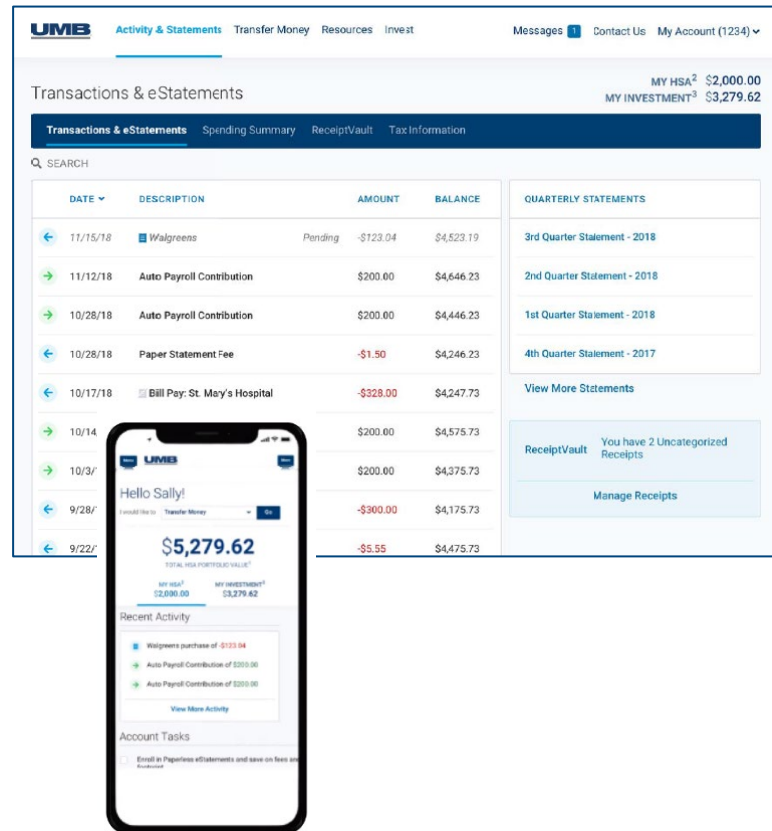
Maximize Your HSA

2019 Contributions \$2,550

\$500.00 Employer
 \$2,050 Employee Contributions
 \$3,450 IRS Maximum
 \$800.00 YTD Spending
 \$5,500 My 2019 Deductible

Be a Better Saver

[Make Contribution](#)
[Explore Discount Opportunities](#)



UMB Activity & Statements Transfer Money Resources Invest Messages 1 Contact Us My Account (1234) ▾

Transactions & eStatements

MY HSA² \$2,000.00
MY INVESTMENT³ \$3,279.62

Transactions & eStatements Spending Summary Receipt/Vault Tax Information

Q SEARCH

DATE ▾	DESCRIPTION	AMOUNT	BALANCE
11/15/18	Walgreens	Pending -\$123.04	\$4,523.19
11/12/18	Auto Payroll Contribution	\$200.00	\$4,646.23
10/28/18	Auto Payroll Contribution	\$200.00	\$4,446.23
10/28/18	Paper Statement Fee	-\$1.50	\$4,246.23
10/17/18	Bill Pay: St. Mary's Hospital	-\$328.00	\$4,247.73
10/14		\$200.00	\$4,575.73
10/3		\$200.00	\$4,375.73
9/28/		-\$300.00	\$4,175.73
9/22/		-\$5.55	\$4,475.73

QUARTERLY STATEMENTS

- 3rd Quarter Statement - 2018
- 2nd Quarter Statement - 2018
- 1st Quarter Statement - 2018
- 4th Quarter Statement - 2017

[View More Statements](#)

Receipt/Vault You have 2 Uncategorized Receipts

[Manage Receipts](#)

Mobile App Preview:

UMB Healthcare Services App Interface:

Hello Sally!

12/08/2018 Transfer Money

\$5,279.62
TOTAL HSA PORTFOLIO VALUE¹

MY HSA² \$2,000.00 MY INVESTMENT³ \$3,279.62

Recent Activity

- Walgreens purchase of -\$123.04
- Auto Payroll Contribution of \$200.00
- Auto Payroll Contribution of \$200.00

[View More Activity](#)

Account Tasks

Enroll in Paperless eStatements and save on fees and postage



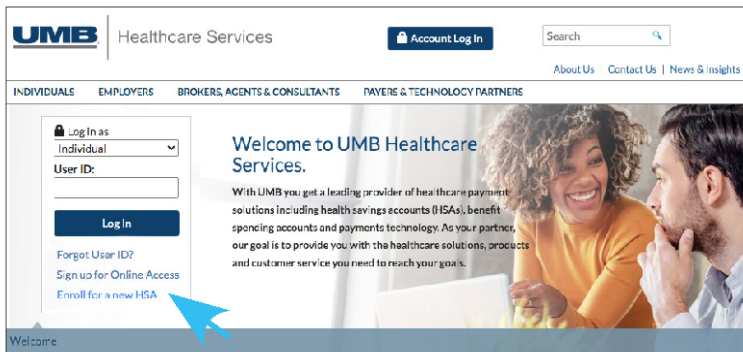
Real-time account management 24/7

- Account balance and transaction history
- Current and prior year tax information
- Online transfer to/from HSA
- Online bill-pay and mobile banking
- Online contributions/reimbursements
- Investment enrollment
- Enroll and view e-statements
- Track and manage receipts using ReceiptVault
- Healthcare resources and calculators
- Forms
- Help by phone, e-mail or web chat

Before you start, make sure you have the following required information available:

- Your physical address (you must have a physical address to open the account, but you may also enter a P.O. Box in “mailing address”), phone number, email address
- Your Date of Birth and Social Security number
- DOB & SS# for your spouse and/or dependents (age 18 or older) if requesting additional debit cards
- Employer verification code and program start date, provided by your employer

Note: You will not choose your beneficiary during enrollment.
You will do this the first time you log on to your HSA.



STEP 1: Enrollment Verification Number

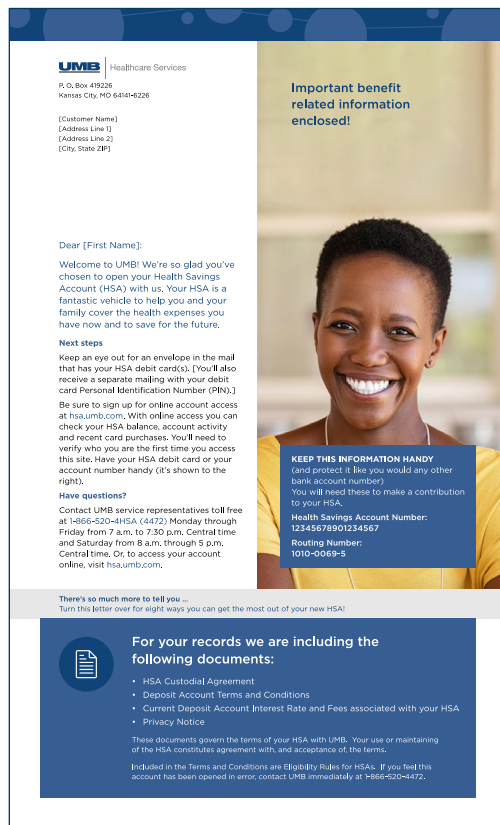
STEP 2: Eligibility Requirements

STEP 3: Account Owner Personal Information

STEP 4: Review and Consent to Disclosures

STEP 5: Verify & Submit Enrollment Information

STEP 6: Confirmation



Identity verification

Materials sent *Normally received within 5-7 Days*

– Separate mailings

- Welcome Letter
- Debit Card *Follow activation instructions*
- PIN

Choose your beneficiary(s)

Remember to signup for online access!

Have questions? 866.520.4HSA (4472)

HSA.UMB.com



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