FLEXFACTS
a company of grant benefit solutions

Health Savings Account Investments

Unlock the growth potential of your HSA funds

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The triple tax benefits of your HSA

You've made the smart choice in selecting an HSA, now it's time to learn how you can truly maximize the value of your HSA funds.

What is meant by 'triple tax savings?'
The funds you put in your HSA are subject to three different tax benefits, all of which help you save and growth your wealth"

1. All of the **funds you contribute to your HSA are on a pre-tax basis**, meaning every dollar you contribute deducts your total IRS-reported income – which lowers your taxable income and save you money.

2. **The interest your funds earn while in the HSA are not taxed.**

3. You are able to withdraw funds from your account without taxation – When you spend HSA funds on qualified medical expenses.

Using investments to grow your HSA funds

One of the major benefits of an HSA is having the ability to invest the funds you contribute, even further growing the value of your HSA funds over time. In addition to having tax-advantaged funds to pay for healthcare, many financial advisors have begun to view HSA investment opportunities as on par, or above, the value gained from contributing to a 401(k).

HSA investments made easy

How do HSA investments work? And, how can you get started? This guide is designed to help you understand the ins and outs of HSA investments, and how you can get started.

A few key things you need to know as you begin:

- **You need to have a minimum $1000 balance** to start making investments with your HSA funds.
- **Your investments are self-directed –** You control which mutual funds your HSA funds will go into (similar to many 401k programs).
- **Devenir** is the partner that manages your HSA investment funds.
- **You can manage your investments online:** Login to https://flexfacts.wealthcareportal.com/Authentication/Handshake to manage your HSA investments.

Getting started

Now that you understand how investing HSA funds will help you maximize the value of your HSA, it's time to begin! Throughout this guide, we'll highlight 1) investment set-up and 2) tips on how to best maximize the value.

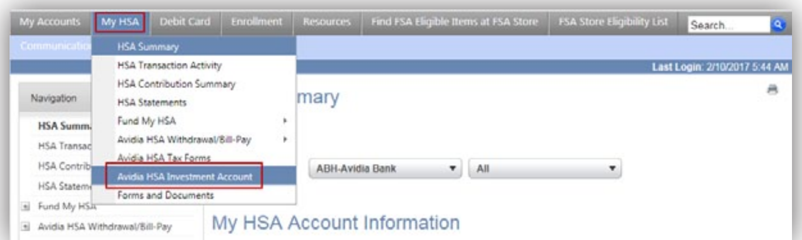
How to: Getting started with investments

Enrolling in the FlexFacts.com

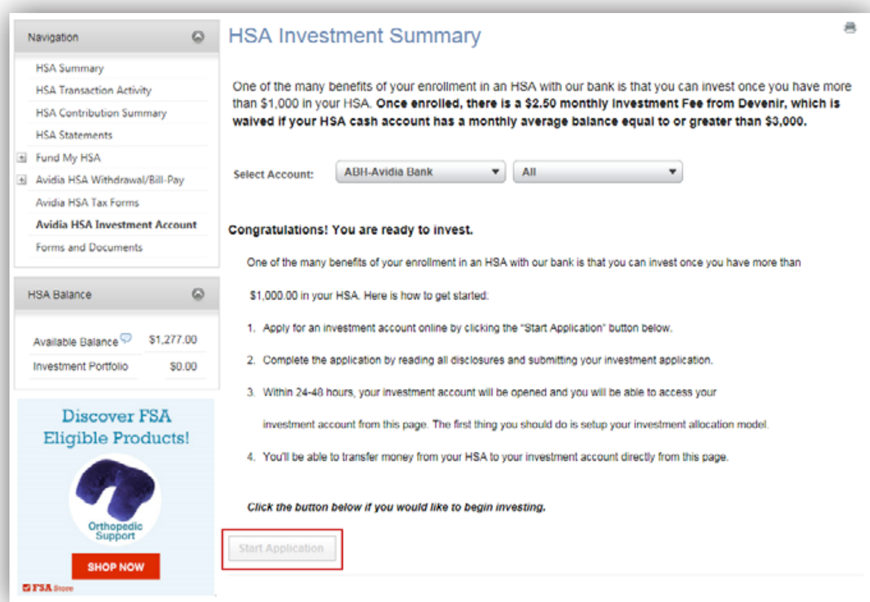
Follow the steps below to enroll in your HSA investment account.

1. Log into the online portal.

2. Once you're logged in, click the *My HSA* tab and then click *Avidia HSA Investment Account.*



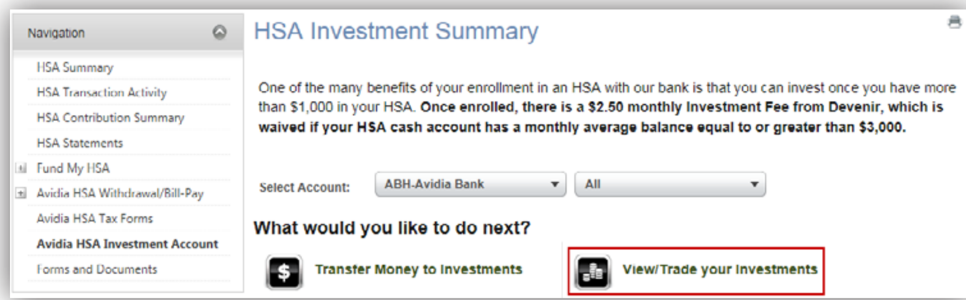
3. Click *Start Application*. Note: When you get the pop-up, open the two PDFs before you can click *submit*.



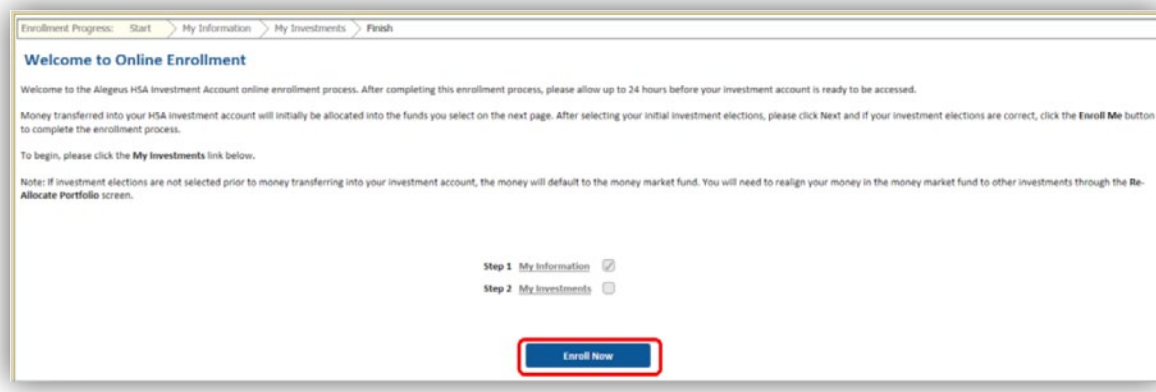
Setting up your investment plans

Follow the steps below set-up your investments.

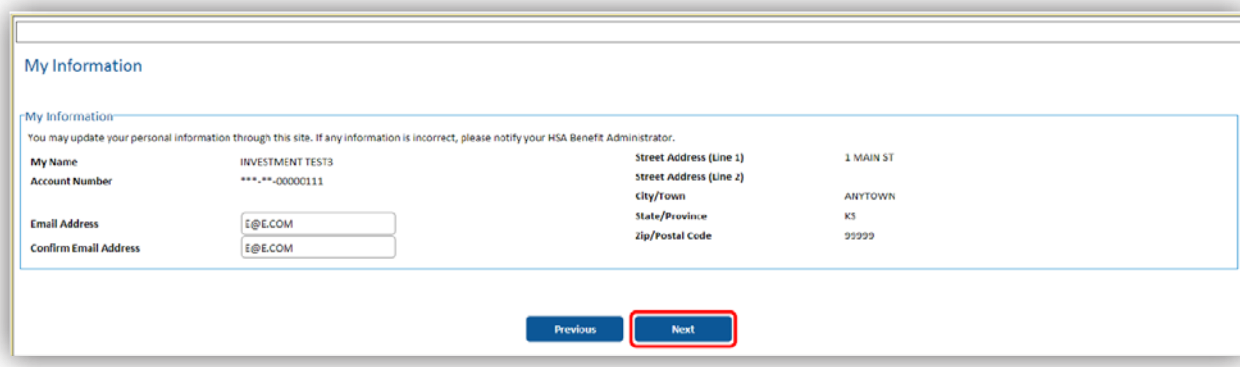
1 Click on *view / trade your investments* link.



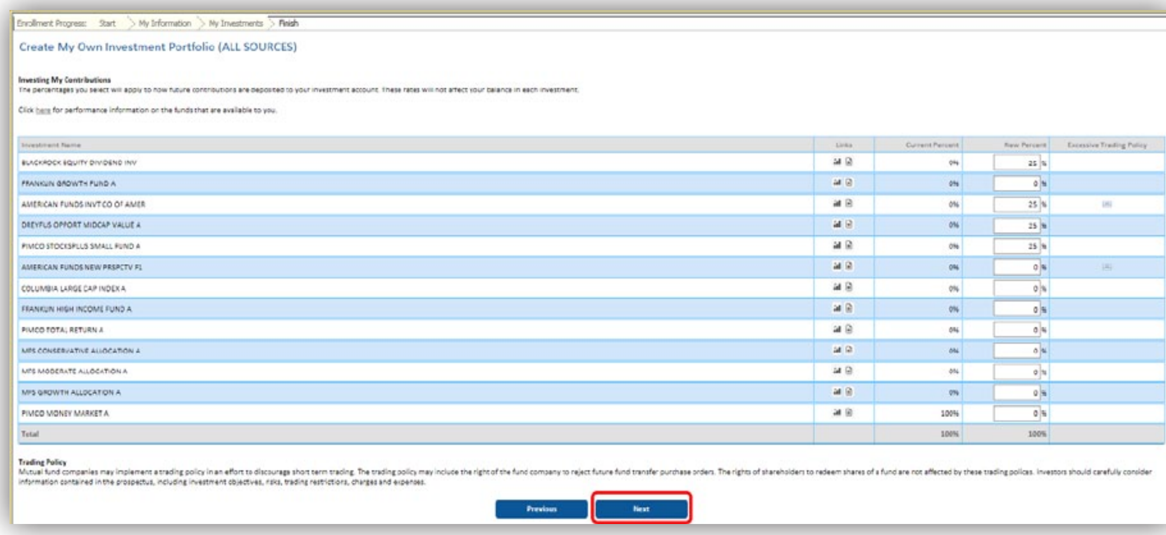
2 On the next screen, click on *enroll now*.



3 Verify your name, account number, address, and email address are correct. Click *next*.

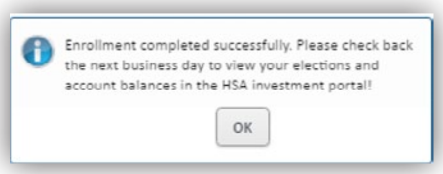


4 Specify the percentage you want to allocate to each investment fund. The allocations need to add up to 100%. Once you've populated your allocations, click *next*.



5 Click *enroll me*.

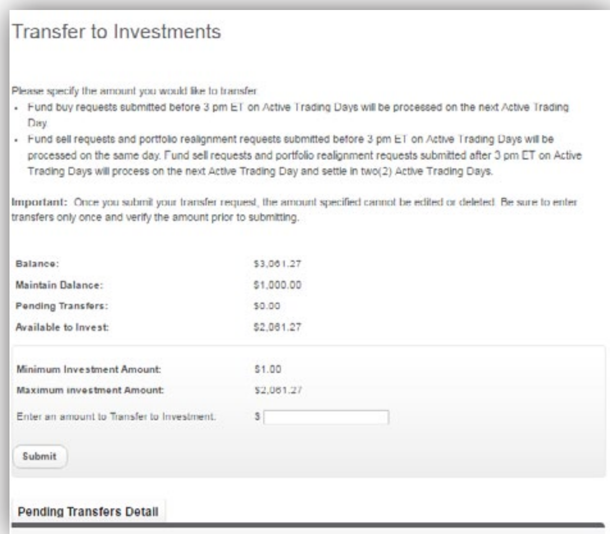
6 Finally, click *OK*.



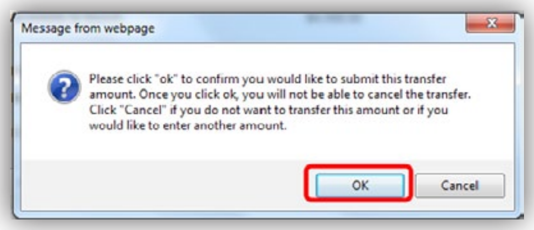
Transferring funds from your HSA into your investments

Follow the steps below to transfer funds from your HSA account into your HSA investment account.

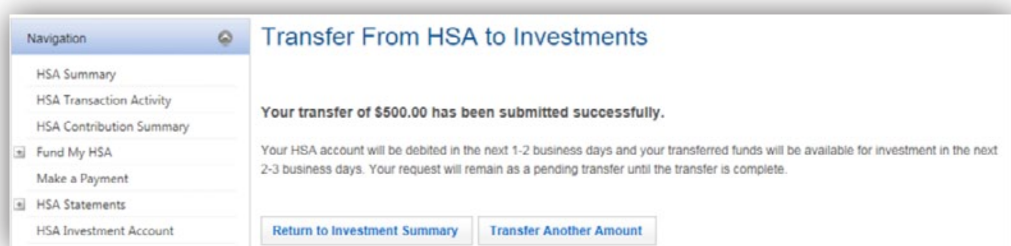
1 Enter the amount you want to transfer in the *enter an amount to transfer to investment* field. Click *submit*. Note: *Amount to transfer to investment* is the maximum you can invest due to your minimum balance requirement.



2 Click *OK* to confirm your transfer.



3 The following message will display:

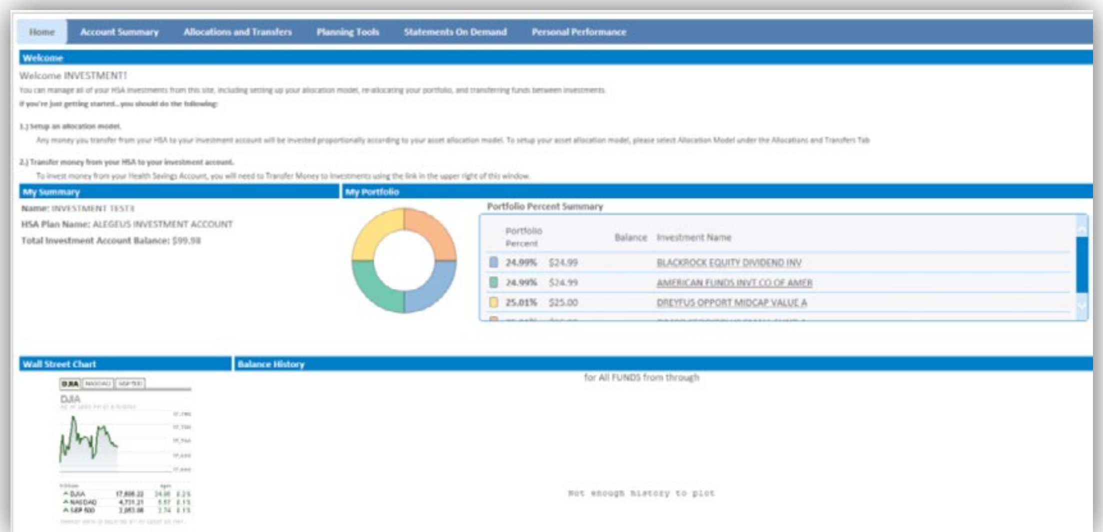


How to: Maximizing your investment account

Home page and investment summary

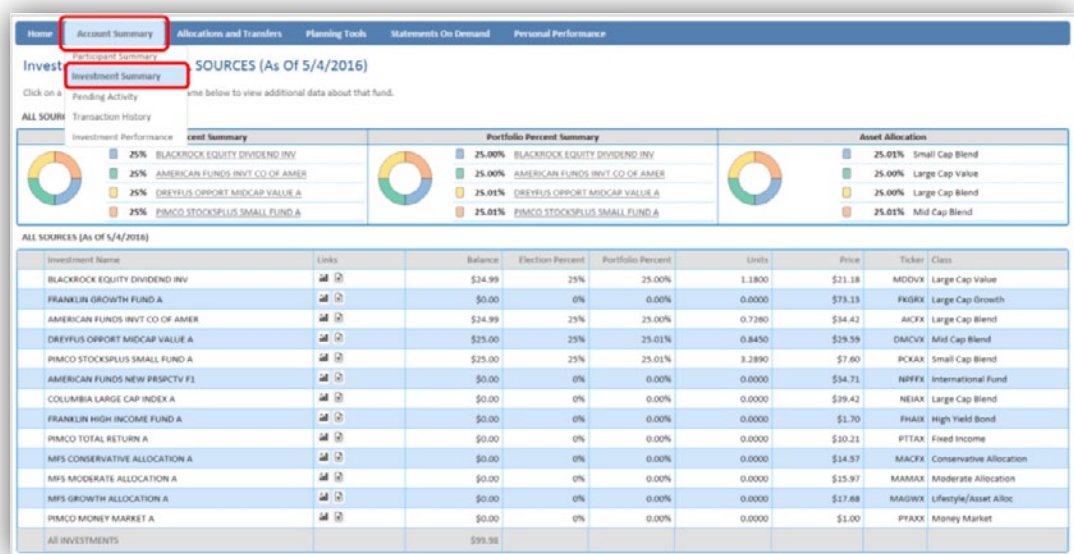
Navigating the home page

Below is the page you will see upon logging in to your HSA investment account. From this page, you can navigate to view investment summaries, adjust allocations, view monthly statements, and more!



Viewing your investment summary

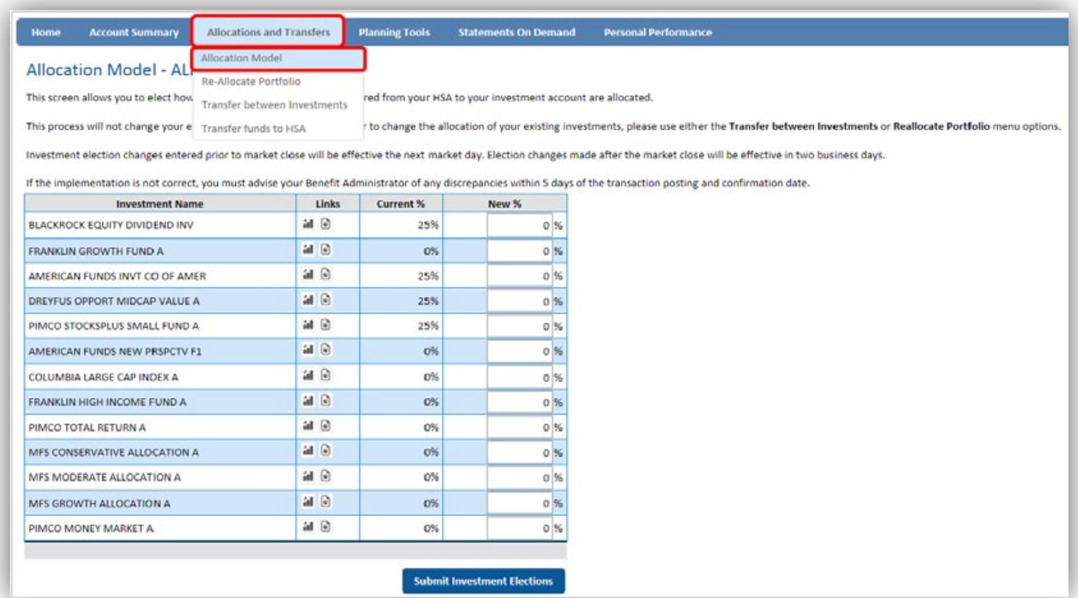
Navigate to *account summary – investment summary*, as shown below. This page contains investment details – including balances by fund, election percentages, portfolio percentage, units, and price.



Allocations and transfers

Updating your investment elections

If you'd like to update your elections, navigate to *allocations and transfers > allocation model*.



Home | Account Summary | Allocations and Transfers | Planning Tools | Statements On Demand | Personal Performance

Allocation Model | Re-Allocate Portfolio | Transfer between Investments | Transfer funds to HSA

Allocation Model - AL

This screen allows you to elect how … red from your HSA to your investment account are allocated.

This process will not change your e… to change the allocation of your existing investments, please use either the **Transfer between Investments** or **Reallocate Portfolio** menu options.

Investment election changes entered prior to market close will be effective the next market day. Election changes made after the market close will be effective in two business days.

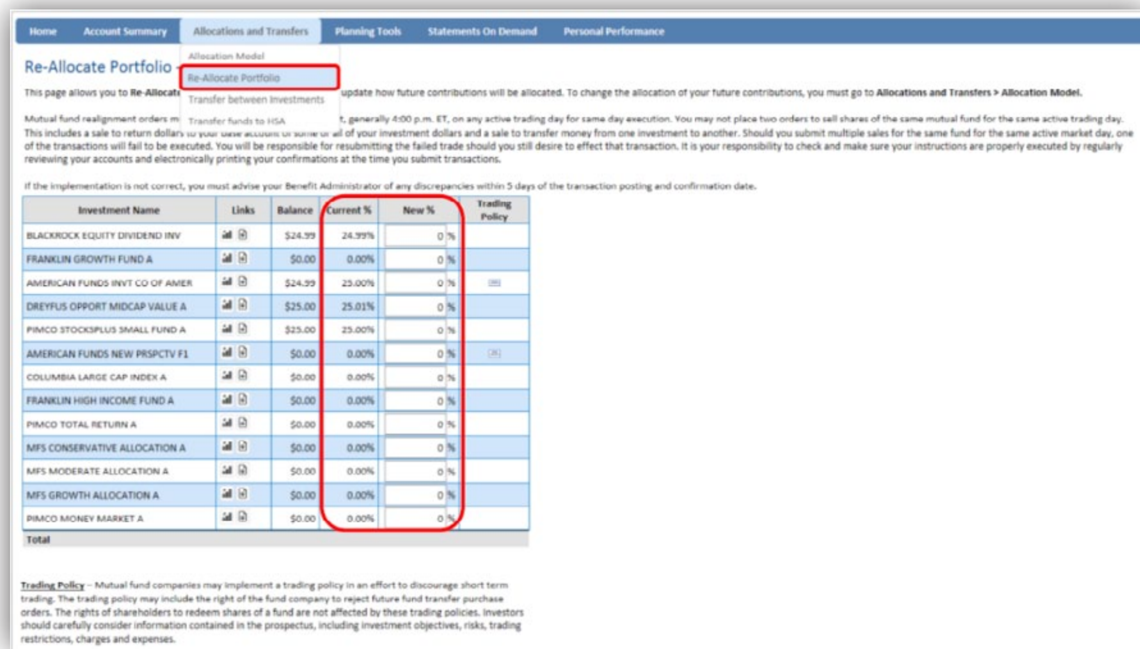
If the implementation is not correct, you must advise your Benefit Administrator of any discrepancies within 5 days of the transaction posting and confirmation date.

Investment Name	Links	Current %	New %
BLACKROCK EQUITY DIVIDEND INV		25%	0 %
FRANKLIN GROWTH FUND A		0%	0 %
AMERICAN FUNDS INVT CO OF AMER		25%	0 %
DREYFUS OPPORT MIDCAP VALUE A		25%	0 %
PIMCO STOCKSPLUS SMALL FUND A		25%	0 %
AMERICAN FUNDS NEW PRSPCTV F1		0%	0 %
COLUMBIA LARGE CAP INDEX A		0%	0 %
FRANKLIN HIGH INCOME FUND A		0%	0 %
PIMCO TOTAL RETURN A		0%	0 %
MFS CONSERVATIVE ALLOCATION A		0%	0 %
MFS MODERATE ALLOCATION A		0%	0 %
MFS GROWTH ALLOCATION A		0%	0 %
PIMCO MONEY MARKET A		0%	0 %

Submit Investment Elections

Re-allocating your portfolio

This page allows you to re-allocate existing funds. You can put the new allocation percentages in the *new %* column to re-allocate your current allocations.



Home | Account Summary | Allocations and Transfers | Planning Tools | Statements On Demand | Personal Performance

Allocation Model | Re-Allocate Portfolio | Transfer between Investments | Transfer funds to HSA

Re-Allocate Portfolio

This page allows you to **Re-Allocat**… update how future contributions will be allocated. To change the allocation of your future contributions, you must go to **Allocations and Transfers > Allocation Model.**

Mutual fund realignment orders m… t, generally 4:00 p.m. ET, on any active trading day for same day execution. You may not place two orders to sell shares of the same mutual fund for the same active trading day. This includes a sale to return dollars … all of your investment dollars and a sale to transfer money from one investment to another. Should you submit multiple sales for the same fund for the same active market day, one of the transactions will fail to be executed. You will be responsible for resubmitting the failed trade should you still desire to effect that transaction. It is your responsibility to check and make sure your instructions are properly executed by regularly reviewing your accounts and electronically printing your confirmations at the time you submit transactions.

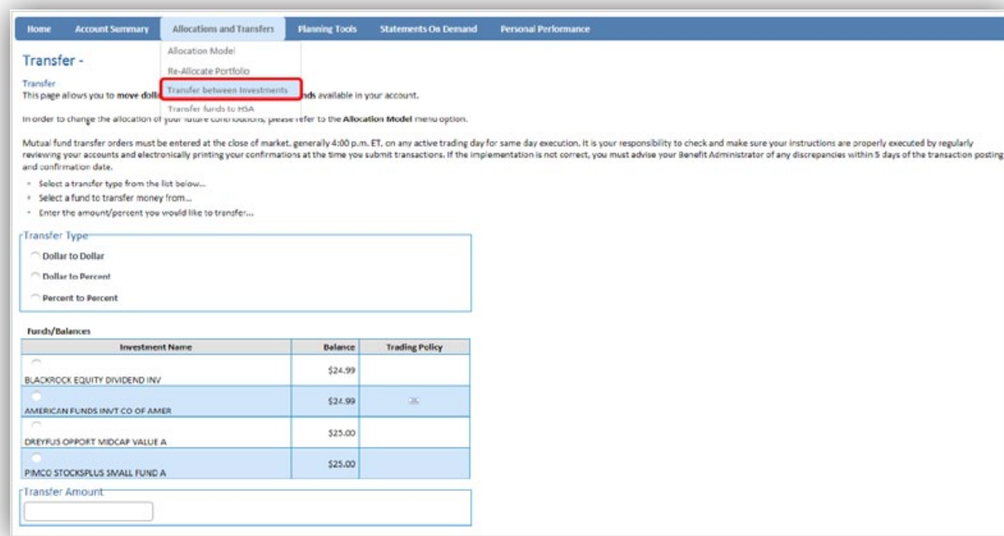
If the implementation is not correct, you must advise your Benefit Administrator of any discrepancies within 5 days of the transaction posting and confirmation date.

Investment Name	Links	Balance	Current %	New %	Trading Policy
BLACKROCK EQUITY DIVIDEND INV		$24.99	24.99%	0 %	
FRANKLIN GROWTH FUND A		$0.00	0.00%	0 %	
AMERICAN FUNDS INVT CO OF AMER		$24.99	25.00%	0 %	
DREYFUS OPPORT MIDCAP VALUE A		$25.00	25.01%	0 %	
PIMCO STOCKSPLUS SMALL FUND A		$25.00	25.00%	0 %	
AMERICAN FUNDS NEW PRSPCTV F1		$0.00	0.00%	0 %	
COLUMBIA LARGE CAP INDEX A		$0.00	0.00%	0 %	
FRANKLIN HIGH INCOME FUND A		$0.00	0.00%	0 %	
PIMCO TOTAL RETURN A		$0.00	0.00%	0 %	
MFS CONSERVATIVE ALLOCATION A		$0.00	0.00%	0 %	
MFS MODERATE ALLOCATION A		$0.00	0.00%	0 %	
MFS GROWTH ALLOCATION A		$0.00	0.00%	0 %	
PIMCO MONEY MARKET A		$0.00	0.00%	0 %	
Total					

Trading Policy – Mutual fund companies may implement a trading policy in an effort to discourage short term trading. The trading policy may include the right of the fund company to reject future fund transfer purchase orders. The rights of shareholders to redeem shares of a fund are not affected by these trading policies. Investors should carefully consider information contained in the prospectus, including investment objectives, risks, trading restrictions, charges and expenses.

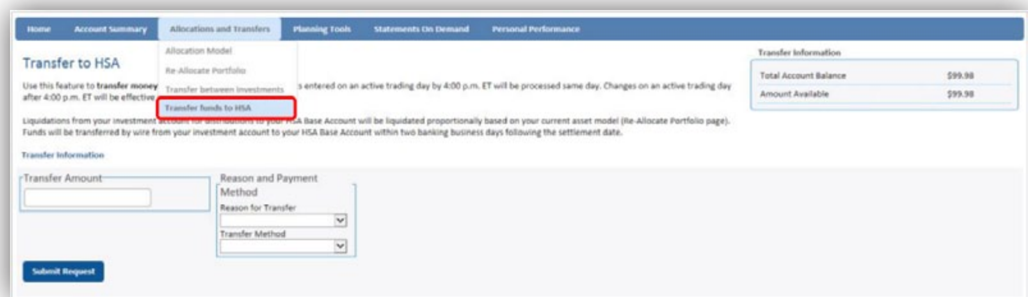
Transferring funds between investments.

You can leverage this function to move money between your available mutual funds.



Transferring funds from investments back into your HSA

You can also transfer funds from your investment account back to your HSA. The system will sell mutual funds up to the amount you enter in the *transfer amount* field. The mutual funds will be sold according to the existing allocation percentages.

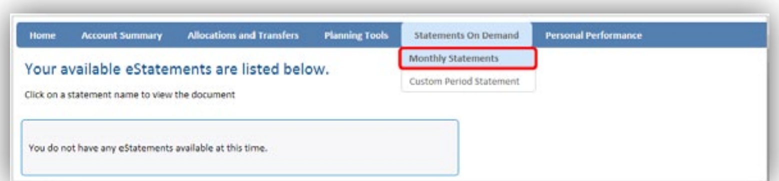


On-demand account statements

Your investment account statement is separate from your standard HSA statement. You will be notified by email when your monthly investment statement has been posted.

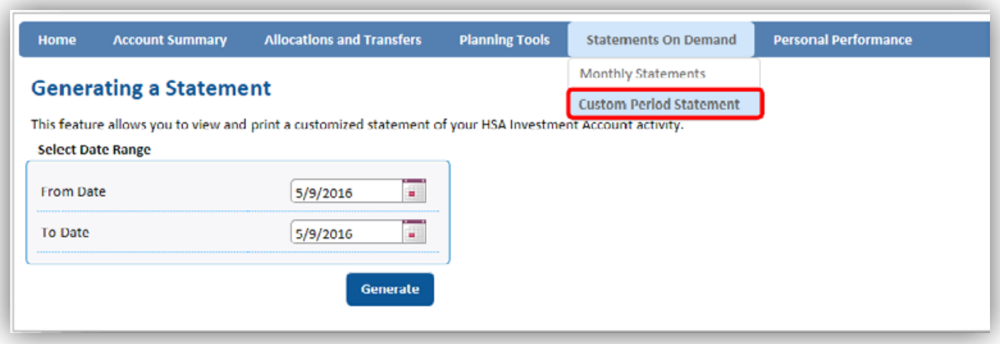
Monthly statements

To view your monthly statements, navigate to *statements on demand > monthly statements*.



Create a custom period statement

You may also choose to create a statement from a custom or specific date range.



Frequently asked questions (FAQs)

Q. How often are investment options updated?

A. *Investment options are updated on a quarterly basis and are available via your online account*.

Q. How long does it take to transfer funds?

A. *It takes 1-2 business days to transfer money to/from your investment account*.

Q. How can I access my investment account?

A. *You can access your investment account directly from your online HSA account*.

Q. Can I go below the $1000 threshold in my HSA?

A. *No. When funds are transferred from your HSA to your investment account, the amount of the transfer cannot bring the balance of your HSA below your minimum investment threshold*.

Q. Can I use my investment funds to pay for qualified medical expenses?

A. *No. You cannot make payments for qualified medical expenses directly from your investment account. If you wish to use funds from your investment account, the funds will first need to be transferred back into your HSA account.*

Q. What does 'self-directed' account mean?

A. *Self-directed means that neither the HSA bank custodian, nor the investment partner, provides investment advice. You are responsible for selecting which investments are right for you. If you are seeking investment advice, consult an investment professional.*