



HSI: HEALTH SAVINGS ILLUSTRATOR

EXAMPLE

Proposal for:

Tim and Laura Smith

How much could you save in an HSA account in 2 years? 10 years? by retirement? HSI from Time Insurance Company shows you! The answer depends on your age, how much you deposit and how much you use. Simply fill in the highlighted cells and watch the savings in the Health Savings Illustrator grow!

Use the *Enter* key to move from cell to cell.

- | | | |
|---|--|----------|
| 1 | Enter your birthday - mm/dd/yyyy | 5/12/60 |
| 2 | Enter your spouse's birthday - mm/dd/yyyy | 9/22/62 |
| 3 | Enter the first full month you are covered by a high deductible health plan | February |
| 4 | Enter the year you will begin depositing money into your HSA account | 2005 |
| 5 | Enter either a single or family deductible amount
Single deductible OR
Family deductible | \$ 5,000 |
| | <i>The amount entered must be a currently offered deductible for valid calculations.</i> | |
| 6 | Enter your planned total annual deposit amount | \$ 5,000 |
| | <i>The maximum allowable amount is the lesser of the deductible or \$5150.</i> | |
| | <i>If you are an employee, consider the amount BOTH you and your employer may deposit.</i> | |
| 7 | HSI defaults to an assumed interest rate of 0%. | 0% |
| | <i>If you would like to see the financial impact of using a different interest rate, select a rate from the drop down box.</i> | |

Health Savings Illustrator				
	Funds Used (%)			
	0%	25%	50%	75%
Year 1	\$ 4,583	\$ 3,437	\$ 2,292	\$ 1,146
Year 2	\$ 9,583	\$ 7,187	\$ 4,792	\$ 2,396
Year 5	\$ 24,583	\$ 18,437	\$ 12,292	\$ 6,146
Year 10	\$ 49,583	\$ 37,187	\$ 24,791	\$ 12,396
Employee Age 65	\$ 122,249	\$ 91,687	\$ 61,125	\$ 30,562

The Health Savings Illustrator shows how an HSA may work. Illustrated results assume:

Current regulation of HSAs, including allowable contribution amounts, remains unchanged.

Each individual remains HSA-eligible to age 65 and then enrolls in Medicare.

Annual interest is applied to the average annual account balance.

Individual and spouse make maximum catch-up amounts to separate accounts beginning at age 55.

Funds withdrawn to pay eligible expenses do not add to accumulated funds.

Interest rates are not guaranteed. Your experience may vary.

HSAs are not a pension or retirement plan. HSAs should not be purchased in lieu of a qualified pension or retirement plan.

This is not tax or legal advice, which should only be sought from a qualified professional advisor.

Products are underwritten by Time Insurance Company.

