Regular Contribution Eligibility

- Covered under a High Deductible Health Plan (HDHP)
- Not covered by another health plan that is not an HDHP
- Not enrolled in Medicare (generally, younger than age 65)
- Not eligible to be claimed as a dependent

Why Have a HDHP?

- Generally, higher insurance deductibles mean lower insurance premiums
- Lower insurance premiums equal decreased insurance coverage costs for employers
- High deductible insurance may benefit some more than others

HSA Includes:

- **FREE Debit Card**
- **FREE eStatements**
- **FREE Online Banking**

Fee:

Monthly Fee.................................$1.00

BRENHAM NATIONAL BANK

MEMBER FDIC

2211 South Day St.
Brenham, TX 77833
www.bnbank.bank

1/2/2026

HSA

Health Savings Accounts

(BISD ONLY)

(979) 836-4571
www.bnbank.bank

What is an HSA?

An HSA (health savings account) is a tax-exempt *CHECKING* account established exclusively for the purpose of paying qualified medical expenses that is covered under a high deductible health plan (HDHP).

Establishing your account

You will open your HSA like you would any other account. Under 2026 federal regulations, HSA eligible plans must have a minimum deductible of $1,700 for an individual. Individuals that don't get healthcare from their employer are still eligible for an HSA, and are eligible for employer contributions; unless they are already covered by a HDHP.

Individual HSA

2026 individual contribution limits are $4,400. Using this health savings tool, you can save money for qualified medical expenses or save for out-of-pocket expenses for years to come. Just like your 401K or IRA, HSA contributions provide a safeguard for your financial health security. Just in case you get hurt, an HSA is there for you! Age 55 and over—$1,000 catch up=$5,400.

An HSA owner determines:

- Regular contribution eligibility
- Regular contribution limit
- Whether distributions are tax free

Distribution Timing

- An HSA owner can take distributions any time
- Only distributions taken to pay for or reimburse qualified medical expenses incurred after an HSA is established are tax free

Common Qualified Expenses

- **Acupuncture**
- **Ambulance services**
- **Chiropractors**
- **Contact lens supplies**
- **Dental treatments**
- **Diagnostic Services**
- **Doctor's fees**
- **Eye exams, glasses and surgery**
- **Fertility services**
- **Guide dogs**
- **Hearing aids and batteries**
- **Hospital services**
- **Insulin**
- **Lab fees**
- **Prescription medications**
- **Nursing services**
- **Surgery**
- **Telephone equipment for the visually or hearing impaired**
- **Therapy or counseling**
- **Wheelchairs**
- **X-rays**