MetLife | Health Savings Account (HSA)

Kansas Department of Administration State Employee Health Plan

Plan for a healthy financial future with a Health Savings Account



A Health Savings Account[1] – or HSA – is a simple tax-advantaged benefit that can help make healthcare expenses more affordable as you save and grow your money. Employees who are enrolled in a High Deductible Health Plan can open a MetLife HSA[2] that can be used to pay for qualified out-of-pocket healthcare expenses with pre-tax dollars[3] and save for healthcare costs over the long term, including retirement.

Up to 30% tax savings when using your pre-tax dollars.[5]

With an HSA, you gain a triple tax advantage

- Use pre-tax dollars to pay for qualified healthcare expenses
- Enjoy tax-free investment growth for future needs, like retirement healthcare expenses[4]

How an HSA works

Short-term spending. Use your MetLife HSA to pay for things like:

- Copays, coinsurance and deductibles
- Office visits, X-rays and lab work
- Qualified vision and dental expenses
- Prescriptions and over-the-counter medications and supplies

Long-term savings. Funds not used to cover expenses remain in your HSA account and can continue to grow from year to year through interest and investments.

You can use these savings to fund future healthcare expenses, including in retirement.

Valuable features make it all easy.

- Easy enrollment and account setup
- Smart debit card for payments that knows which of your accounts to tap into, plus contactless payment options
- 24/7 access through online portal and mobile app
- Ability to scan barcodes to determine eligible expenses using enhanced mobile app
- Automatic payroll deduction of your pre-elected HSA contribution amount and automatic tax reporting of all contributions
- Receipt organizer makes it easy to store unreimbursed qualified healthcare receipts that you can use to validate future withdrawals from your HSA

Make the dollars you spend on healthcare go further with a Health Savings Account.

Benefit from pre-tax savings on qualified out-of-pocket healthcare expenses.

Along with the near-term benefits, an HSA can make a significant difference in your ability to save for healthcare costs over the long term, including retirement.

The MetLife HSA helps you optimize your savings and investments with:

- Higher than average interest rates[6] help employees make the most of their savings on MetLife HSA cash deposits.
- Investment flexibility through a variety of mutual fund investment options.
- Automatically allocate funds from your cash account into your HSA investment account.
- Decision-support tools to help with diversification and other investment decisions.
- Easy account access so you can quickly check your balance, research investments and track activity through MetLife's portal and mobile app.



Advantages of an HSA

HSAs are not "use it or lose it" accounts. Unlike Flexible Spending Accounts (FSAs), unused HSA dollars accumulate year over year and continue to grow tax-free.

Your HSA earns interest and investment options are available, similar to a 401(k).[6] The interest and earnings are not taxed,[7] and there is no maximum on the HSA balance you can accumulate.

HSAs are portable. Your HSA belongs to you, including employer contributions. You can take it with you from job to job and into retirement.

HSA contribution planning in action

Our HSA Planner Tool at MyHSAplanner.com/Met provides personalized information on how much you may wish to save each year and how those savings may grow over time. Here's an example:



- $3,530 – Total interest earned
- $3,650 – Total HSA contribution

A one-time HSA contribution of $3,650 invested in a mutual fund that earns an average annual return of 7% will grow to double the contribution amount in 10 years.

VS



- $10,404 – Total interest earned
- $24,000 – Total HSA contribution

Contribute $200 per month to the HSA account invested in the same mutual fund over the same 10-year period and the savings amount will grow to nearly $34,000.[8]

Keep your healthcare spending – and saving – on track with a MetLife HSA.

Product overview	Health Savings Accounts (HSAs) help pay for qualified healthcare expenses[3] and enable you to save and invest for the future
Why needed	Use your tax-advantaged Health Savings Account (HSA) to pay for qualified healthcare expenses like doctor visits, prescriptions and dental and vision care for you, your family and any dependents
Coverage choices	**2027 annual contribution limit[9]** • Up to $4,500 for individuals; up to $9,000 for households • Catch-up contribution of up to $1,000 for account holders age 55 and over
Who is eligible	Employees who are currently enrolled in a High Deductible Health Plan (HDHP) can open and/or contribute to an HSA[2]
Qualified Expenses	There are hundreds of qualified expenses.[3] Examples include: • Acupuncture • Chiropractic care • COBRA premiums (post-tax only) • Contact lenses • Dental care (non-cosmetic reconstruction, dentures) • Diagnostic services • Eye examination, eyeglasses (RX and reading) • Flu shot • Hospital services • Immunizations • Laboratory fees • Medical testing devices • Menstrual care products • Nursing services • Over-the-counter (OTC) treatments containing medicine • Physical exams • Physical therapy • Prescription drugs • Psychiatric care • Retiree (post-65) medical insurance premiums (post-tax)
Tax advantages	• Pre-tax deductions from paychecks • Tax- and penalty-free withdrawals for qualified healthcare expenses[3] • Tax-free growth (both interest and capital gains)

Frequently Asked Questions

Who is eligible to open/contribute to an HSA and are there any restrictions?

In order to open and/or contribute to an HSA, you must currently be enrolled in a High Deductible Health Plan (HDHP). You can contribute to an HSA if:

- You are not covered under any other health plan that is not a qualified HDHP, including a healthcare Flexible Spending Account (FSA) or Health Reimbursement Account (HRA), or if you are not covered under TRICARE.
- You are not enrolled in Medicare or Medicaid.
- You cannot be claimed as a dependent on another person's tax return.
- You will not contribute to another HSA such that your total contributions across your HSA account(s) would cause you to exceed the IRS maximum contribution limits.

Frequently Asked Questions

What are “pre-tax dollars”?

Pre-tax dollars are funds from your paycheck that are contributed to your HSA before taxes have been taken out. Since you’re not paying taxes on money you contribute, you end up with more money to use for qualified expenses.

How does an HSA work?

Contributions are automatically transferred from your paycheck to your HSA. Your money starts to earn interest immediately and you may have the option of investing in mutual funds or other investment vehicles.

What can I use the money for?

You can use HSA funds for a range of out-of-pocket expenses without incurring any taxes or penalties. These include copays, coinsurance and deductibles; office visits; hospital bills; prescriptions and OTC medications and supplies; qualified dental and vision care; diagnostic items such as diabetic testing supplies; and more.

HSA funds used for non-qualified expenses are taxed and subject to a 20% penalty if you are less than 65 years of age. Beginning at age 65, HSA funds for non-qualified expenses are taxed, but do not incur any penalty.

How do I access my money?

There are three ways to pay for expenses. You can use a smart debit card which is connected to your account. You can also pay providers directly or request to have disbursements sent to yourself through the HSA online portal.

What happens if I don’t use all my account funds during the year?

Unused funds simply remain in your HSA and can be used year to year on qualified expenses without penalty.

How can I keep track of my account?

You’ll have 24/7 online access to account information through the online portal and mobile app. You’ll be able to view details on contributions, balance, spending and interest income. Plus, if you opt to invest your funds, you’ll be able to track results. You can download the MetLife HS&SA app for your device from the Apple App Store or Google Play and log in using the password you use to access the online portal.

What happens if I change jobs, lose my job or retire?

You will always retain your unused funds regardless of your employment status. If you change jobs or lose your job and are still enrolled in a High Deductible Health Plan (HDHP), you can retain your HSA or roll the funds into a new HSA (if offered by your new employer) and continue to make contributions.

If you are no longer enrolled in an HDHP, you can retain your HSA and access the funds, but can’t make additional contributions to your account. If you retire and are enrolled in Medicare, you can retain your HSA and access your funds, but can’t make additional contributions to your account.

Questions?

Call HealthEquity Member Services at 1-866-346-5800 and say “Speak to a Rep” to connect with a representative for Open Enrollment assistance. Representatives are available 24/7.

1An HSA is an account owned by the employee. The employer does not sponsor the HSA. The employer does, however, sponsor a high-deductible health plan and allow employees to make pre-tax salary reduction contributions to the HSA.

[2] You can contribute to an HSA if: (1) you are not covered under any other health plan that is not a qualified HDHP, including a general-purpose healthcare Flexible Spending Account (FSA) or Health Reimbursement Account (HRA), or if you are not covered under TRICARE; (2) you are not enrolled in Medicare or Medicaid and (3) you cannot be claimed as a dependent on another person’s tax return.

[3] See IRS publication 502 available at http://www.irs.gov/pub/irs-pdf/p502.pdf for a list of qualified expenses. In addition, there may be legislation or additional publications that may modify or expand available qualified expenses. Please refer to your employers' plan document for the latest list of qualified expenses under your plan.

[4] HSA funds used for non-qualified expenses are taxed and subject to a 20% penalty if the HSA holder is less than 65 years of age. Beginning at age 65, HSA funds for non-qualified expenses are taxed, but do not incur any penalty.

[5] Savings are based on estimated federal, state and local tax rate of 30%. The amount participants can save in taxes will vary depending on various factors, such as the amount they set aside in the accounts, their annual earnings, whether or not they pay Social Security taxes, the number of exemptions and deductions they claim on their tax returns, their tax brackets and their state and local tax regulations. Participants should check with their own tax advisors for information on how their participation will affect their tax savings.

[6] MetLife Internal Analysis (last updated September 2025). Cash savings balances in an HSA earn interest through a funding agreement issued to the custodian bank, are not FDIC insured, and are subject to the financial strength and claims paying ability of Metropolitan Tower Life Insurance Company. The interest rate earned on the assets allocated to the funding agreement option are declared to the custodian and are guaranteed for at least 12 months from the date the interest rate is declared. There may be different interest rates applicable to different allocations depending upon when the allocation was made to the funding agreement option. The funding agreement option provides the investor with a stable rate of return over time. Metropolitan Tower Life Insurance Company may earn a spread from assets allocated to the funding agreement option available under HSAs.

[7] All investments involve risk, including the possible loss of principal. Past performance is no guarantee of future results.

[8] These calculations are based on certain assumptions, including a consistent rate of return and regular contributions. Actual results may vary. Calculator: https://smartasset.com/investing/investment-calculator#NrRfeCF0eH

[9] Contribution limits are subject to change and should be checked on an annual basis on the IRS website. Limitations apply.

Like most group benefit programs, benefit programs offered by MetLife and its affiliates contain certain exclusions, exceptions, waiting periods, reductions of benefits, limitations and terms for keeping them in force. Nothing in these materials is intended to be, nor should be construed as, advice or a recommendation for a particular situation or individual. Participants should consult with their own advisors for such advice. Federal and state laws and regulations are subject to change.

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