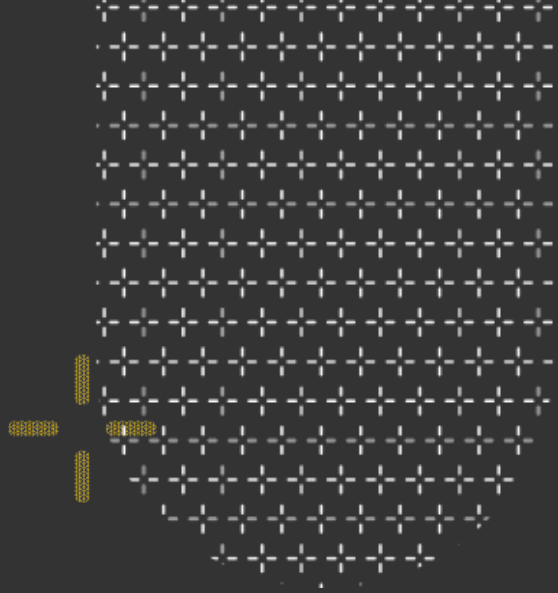


FURTHER<sup>SM</sup>

Further

Spend every day wisely





# VEBA

# Your Voluntary Employee Beneficiary Association (VEBA) account



**A health care expense management account** that you own

Open and funded, **tax-free** by your employer

**You pay no taxes** on interest earned or on funds you take out to pay for qualified medical expenses

No **“use it or lose it”** rule – unused money **rolls over** and continues to accumulate

Pay medical expenses **now or in the future** and health insurance premiums when you retire





# How your VEBA works

1

## Works

with any employer-sponsored medical health plan

2

## Your employer

funds the account; the money belongs to you

3

## No taxes

on money going in, interest earned or on qualified withdrawals

4

## Unused money

rolls over to save for future medical expenses

5

## Convenient

Further debit card to pay providers for eligible expenses

6

## Use it

to pay for:

- ✓ Qualified health care expenses
- ✓ Health insurance premiums like COBRA or Medicare
- ✓ Some long-term care premiums

7

## Pair with

an HSA<sup>1</sup> or an FSA for added flexibility and increased savings

8

## Mutual Fund

investment options are available<sup>2</sup>

<sup>1</sup> VEBA dollars will be limited toward eligible dental and vision expenses until individuals meet their medical health plan deductibles.

<sup>2</sup> Once your Base Balance exceeds \$1,000 you can open a Basic Investment Account and invest in more than 30 mutual funds with Charles Schwab.



## You can use a VEBA to pay for:

- ✓ **NEW!** Over-the-counter supplies, medications, and some feminine hygiene products
- ✓ Out-of-pocket expenses until you reach your deductible
- ✓ Health insurance premiums like COBRA during a job transition or Medicare in retirement
- ✓ Other medical expenses and insurance premiums during retirement
- ✓ Premiums for some long-term care insurance
- ✓ Medical expenses not covered by your health plan, including:
  - Co-payments
  - Co-insurance
  - Prescription drugs
  - Dental care expenses
  - Vision care expenses



**Always save your receipts** to ensure proper validation of expenses, as required by the IRS.



## These you can't pay for:

- ✗ Current health insurance premiums while you're employed
- ✗ Costs that aren't considered qualified medical expenses as defined by the IRS

# Meet the Millers

Empty nesters

Bill, a teacher for 28 years: \$48,000/yr.

Emily, freelance web designer: \$34,000/yr.

## GOALS:

- Retire in five years
- Preserve retirement accounts (401k and IRA) for travel
- Plan for medical expenses not covered by Medicare
- Pay for future health plan premiums

	Without a VEBA	With a VEBA
Employer annual VEBA contribution	\$0	\$900
Health care expenses for the year	\$500	\$500
VEBA account	\$0	\$500
Remaining balance carried forward	\$0	\$400
Balance after five years <sup>1</sup>	\$0	\$2,000

## STRATEGY:

- Maximize savings with a VEBA
- Earn tax-free investment returns
- Pair with an FSA for current expenses
- Pair with an HSA and limit to dental and vision expenses, or freeze VEBA for retirement

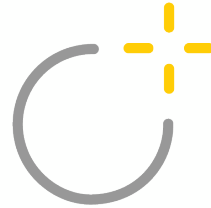


<sup>1</sup>Does not include any interest or investment earnings that may be earned on balances.

The Miller's story is a hypothetical example for purposes of illustration only

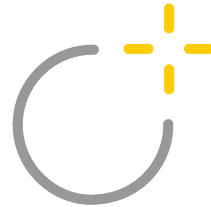
# Combine VEBA

Pairing a VEBA with an HSA and/or FSA increases the spending and savings power for members



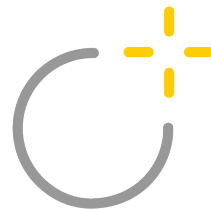
## Pairing with an HSA

If paired with an HSA, the VEBA will be limited to permitted benefits such as vision and dental care benefits until the health plan deductible is met.



## Pairing with an FSA

If paired with an FSA, eligible expenses will be reimbursed from the Medical FSA until the account has been exhausted. Only then will eligible expenses be reimbursed from the VEBA account



## Pairing with an HSA and FSA

Combining the benefits of the VEBA, HSA, and FSA allows members to maximize tax-advantaged medical spending and savings.

# Paired with an HSA – VEBA limited

Use this page if audience appropriate – or delete

	VEBA	HSA
Employer annual VEBA contribution	\$900	\$900
Your pre-tax <sup>2</sup> HSA contribution	\$0	\$1,200
Health care expenses: medical \$500 and dental and vision \$400	\$400	\$500
Account balances after expenses – year one	\$500	\$1,600
Account balances after five years <sup>1</sup>	\$2,500	\$8,000
Tax savings with HSA contributions <sup>2</sup> – year one	\$0	\$360
Tax savings with HSA over five-year period	\$0	\$1,800



<sup>1</sup> Does not include any interest or investment earnings that may be earned on balances.

<sup>2</sup> Assumes a 30% tax bracket. Actual tax savings will depend on HSA contributions, applicable state tax rates and personal tax situation. Please consult your tax adviser for details.



# Paired with an HSA – VEBA frozen

Use this page if audience appropriate – or delete

	VEBA	HSA
Employer annual VEBA contribution	\$900	\$900
Your pre-tax <sup>2</sup> HSA contribution	\$0	\$1,200
Health care expenses: medical \$500 and dental and vision \$400	\$0	\$900
Account balances after expenses – year one	\$900	\$1,200
Account balances after five years <sup>1</sup>	\$4,500	\$6,000
Tax savings with HSA contributions <sup>2</sup> – year one	\$0	\$360
Tax savings with HSA over five-year period	\$0	\$1,800



<sup>1</sup> Does not include any interest or investment earnings that may be earned on balances.

<sup>2</sup> Assumes a 30% tax bracket. Actual tax savings will depend on HSA contributions, applicable state tax rates and personal tax situation. Please consult your tax adviser for details.

# A VEBA paired with an FSA

Use this page if audience appropriate – or delete

	VEBA	FSA
Employer annual VEBA contribution	\$900	\$0
Your pre-tax <sup>1</sup> FSA contribution	\$0	\$900
Health care expenses: medical \$500 and dental and vision \$400	\$0	\$900
Account balances after expenses – year one	\$900	\$0
VEBA balance after five years <sup>2</sup>	\$4,500	\$0



<sup>1</sup> Tax savings may vary based on your tax filing status. See your tax advisor for details.

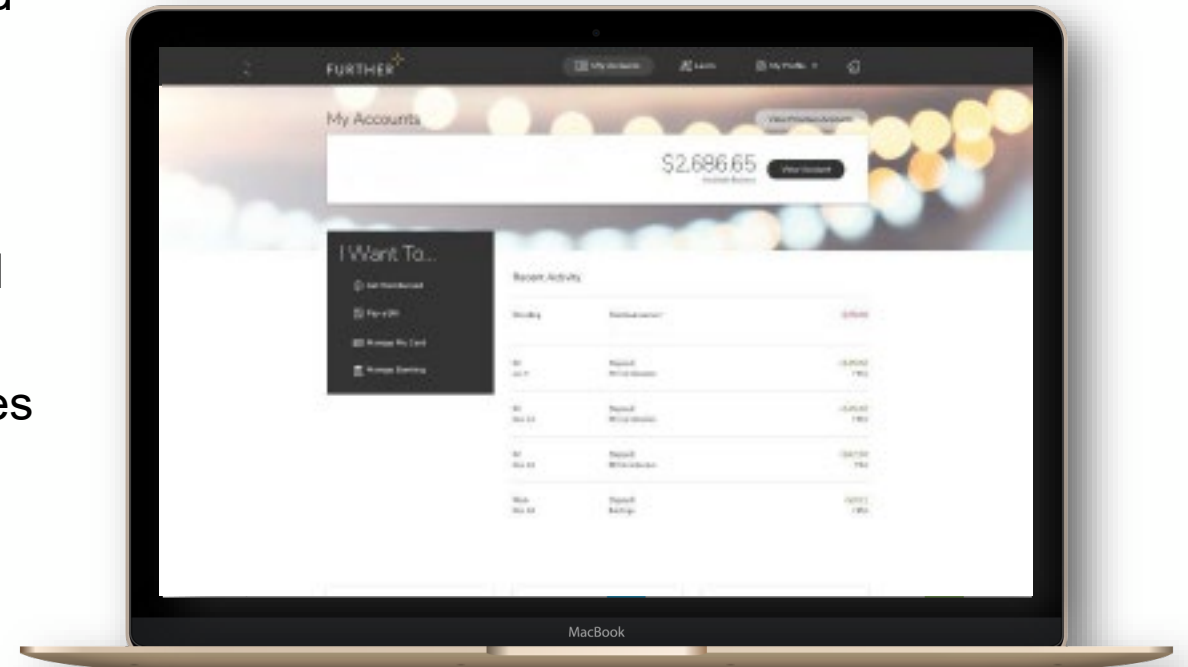
<sup>2</sup> Does not include any interest or investment earnings that may be earned on balances.



# After you're enrolled



- ✓ Receive your Spending Account I.D. and Visa® debit card by mail
- ✓ Register on hellofurther.com
- ✓ Download mobile app
- ✓ Pay providers with your Visa® debit card or submit claims for reimbursement
- ✓ View account activity and check balances
- ✓ Download forms and upload receipts
- ✓ View and manage investments
- ✓ Request additional Visa® debit cards
- ✓ Manage beneficiaries

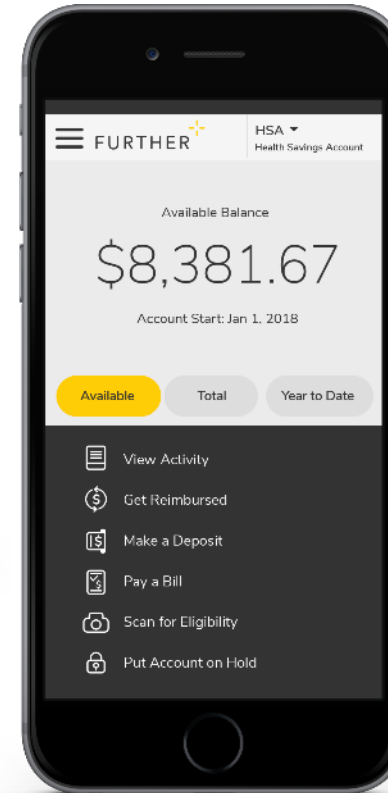
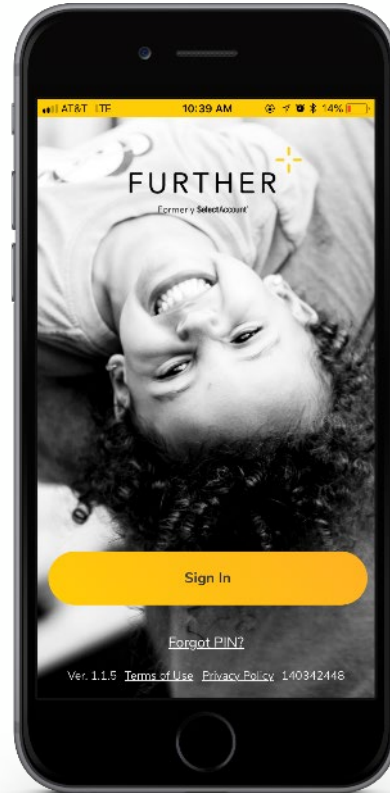




# Mobile App

Easy to use tool that **features:**

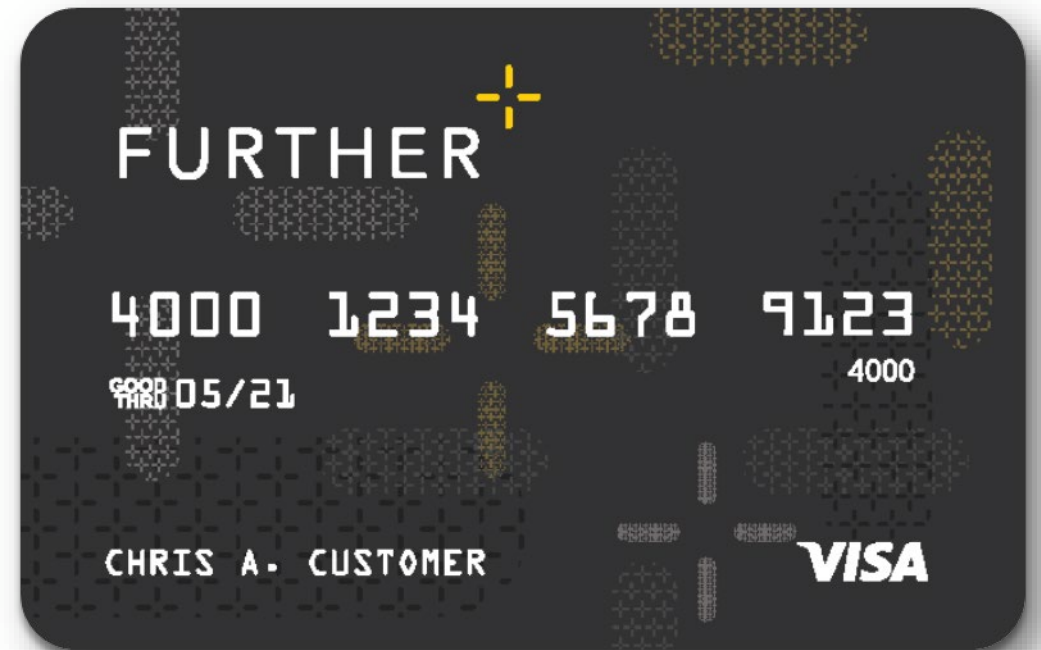
- Fingerprint and facial ID unlock
- Snap and save document photos
- Barcode scanner to check eligibility
- Mobile access to all primary actions
- View activity
- Pay bills
- Make deposits
- Get reimbursed





## Further debit card

- Can use for HSA, FSA, HRA and VEBA purchases
- A convenient way to pay for qualified purchases from your spending account(s)
- Can be added to your digital wallet<sup>1</sup>
- Can order additional cards for spouse or dependent free of cost
- Accepted anywhere VISA® is accepted



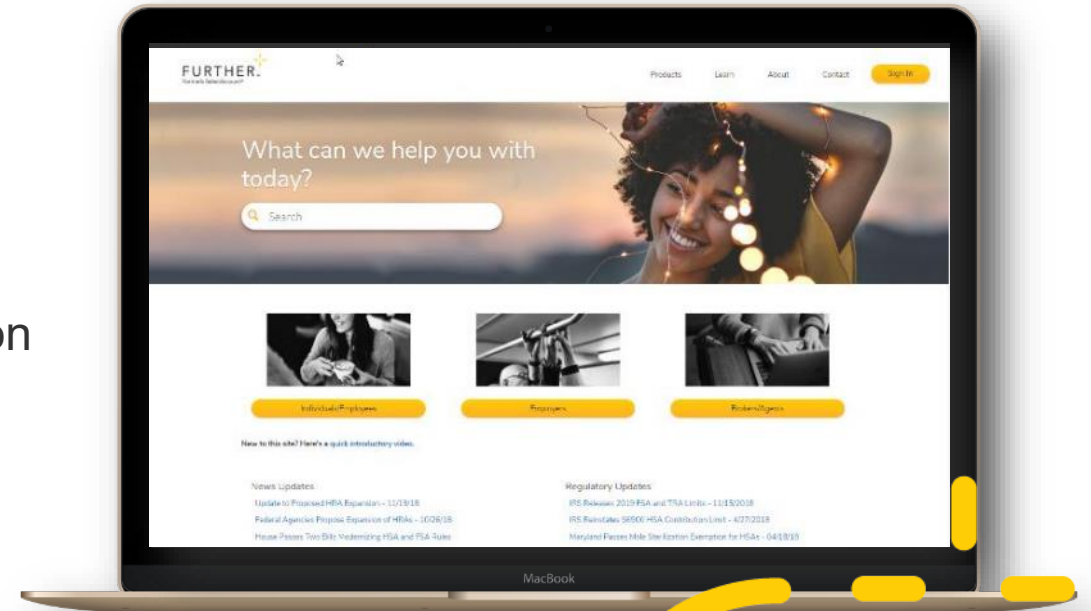
*The debit card will come in a plain envelope – do not throw it away.*



# Learning Center

The Learning Center offers a robust array of articles, tools, and **resources including:**

- Savings calculators, videos and popular forms
- Guidance to help compare products
- Employer walkthrough of open-enrollment communication
- Tips for submitting claims
- Help using and managing your account
- Tax implication information
- How to get reimbursed
- FAQs



Designed to help you understand and **maximize** your health savings accounts

# Let's get started

Our expert service team is ready to help.



800-859-2144  
M-F 7 AM - 8 pm CST



[hellofurther.com](https://hellofurther.com)

FURTHER<sup>SM</sup>

Thank you.