
Health Savings Accounts (HSAs)

Frequently Asked Questions (FAQs)



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Who is eligible to maintain a Health Savings Account (HSA)?

To be an eligible individual and qualify for an HSA, you must meet the following requirements.

- You must be covered under a high deductible health plan (HDHP).
- You have no other health coverage that is not a HDHP.
- You are not enrolled in Medicare.
- You cannot be claimed as a dependent on someone else's tax return.

What are the benefits of an HSA?

There are several benefits to maintaining an HSA, which include:

- Eligible contributions are excluded from income.
- The contributions remain in your account until you use them.
- The interest or other earnings on the assets in the account are tax free.
- Distributions may be tax free if used for qualified medical expenses.
- An HSA is "portable." It stays with you if you change employers or leave the work force

What type of health care plan is considered to be a HDHP?

The following table illustrates the minimum annual deductible and maximum deductible and other out-of-pocket expenses for HDHPs for 2026.

	Self-only coverage	Family coverage
Minimum annual deductible	\$1,700	\$3,400
Maximum annual deductible and other out-of-pocket expenses*	\$8,500	\$17,000
<i>*This limit does not apply to deductibles and expenses for out-of-network services if the plan uses a network of providers. Instead, only deductibles and out-of-pocket expenses for services within the network should be used to figure whether the limit applies. Please consult with your insurance company.</i>		

Can an employer sponsored self-insured medical plan be a HDHP?

Yes, as long as the medical reimbursement plan satisfies the HDHP requirements.

How do I make contributions to my HSA?

Contributions can be made through payroll deductions, at one of our branches or online. Contributions made during the present calendar year, for the previous year, require special documentation and must be in writing.

Who can make contributions to my HSA?

Contributions may be made by yourself, employer, or eligible individual's family member.



Can my HSA be a joint account with my spouse?

No. Health Savings Accounts may only have a single owner. However, we do allow you to designate an authorized signer, such as your spouse, to make qualified distributions by check or debit card.

How much can I contribute to my HSA?

The amount you or any other person can contribute to your HSA depends on the type of HDHP coverage you have, your age, the date you become an eligible individual, and the date you cease to be an eligible individual.

HDHP coverage	Self-only coverage	Family coverage
2026	\$4,400	\$8,750
2025	\$4,300	\$8,550

What is a catch-up contribution?

If you are over the age of 55, you may take advantage of the annual catch-up contribution, which is \$1,000 for 2025 and 2026

When can I make contributions?

You can make contributions to your HSA for 2025 until April 15, 2026. If you fail to be an eligible individual during 2025, you can still make contributions, up until April 15, 2026 for the months you were an eligible individual.

Your employer can make contributions to your HSA between January 1, 2026 and April 15, 2026 that are allocated to 2025. Your employer must notify you and Thomaston Savings Bank that the contribution is for 2025. The contribution will be reported on your 2025 Form W-2.

Am I responsible for determining whether contributions to my HSA exceed the maximum annual limit?

Yes, you are responsible. Please consult with your tax advisor for complete details.

How do I make distributions from my HSA?

You may write a check, use your HSA Debit Card, or pay a qualified bill online.

What are qualified medical expenses?

The costs associated to diagnose, cure, mitigate, treat, or prevent a disease. For additional information, refer to IRS Publication 502.

Who is responsible for maintaining records for the purpose of determine whether distributions from the HSA are used for qualified medical expenses?

You do. It is your responsibility to maintain sufficient records of your distributions.

What do I do if I pay for a medical expense and later, the health care provider reimburses me?

In order to ensure proper reporting to the IRS, you will be required to contact Thomaston Savings Bank and complete the appropriate documentation to properly record the transaction and deposit the funds returned to you.

Must I deplete my HSA balance at the end of the year?

No. Funds can remain in your HSA.



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